

## **RESOLUTION NO. 2011-029**

Adopted by the Redevelopment Agency  
of the City of Sacramento

June 21, 2011

### **APPROVAL OF FINANCING FOR THE NORTH 7<sup>TH</sup> STREET UTILITY UNDERGROUND PROJECT, AUTHORIZATION TO ENTER INTO AN INDIVIDUAL PROJECT AGREEMENT WITH THE CITY AND RELATED BUDGET AMENDMENT FOR \$19,085 IN RIVER DISTRICT TAX INCREMENT FUNDS**

#### **BACKGROUND**

- A. The relocation or undergrounding of primary voltage overhead power lines is desirable to the City as it improves aesthetics, economic vitality, safety and disabled access along corridors.
- B. The Sacramento Municipal Utility District (SMUD) recognized these benefits and established the System Enhancement Program in order to fund selected distribution system enhancements by relocating or undergrounding existing power lines below 69 kV.
- C. SMUD will fund the cost to relocate or underground its facilities and will fund the costs to construct the utility trench provided that: (i) the City has established the project and determined that it is in the public interest, (ii) the relocation of all telecommunication company facilities with leases and rights to the existing joint pole facilities has been funded and approved by those companies, (iii) the plans and specifications for the relocation of SMUD's facilities has been completed by others, (iv) the underground improvements have been constructed to SMUD's satisfaction, (v) all required building permits have been approved, (vi) all private property right of way requirements and easements and service relocation agreements with all affected property owners have been executed, and (viii) any easements that may be required by SMUD for its above-ground utility boxes have been granted.
- D. On September 7, 2010, in Resolution 2010-532, City Council amended the priority list for the SMUD Enhancement Program to add North 7<sup>th</sup> Street, between North B Street and Richards Boulevard (the "North 7<sup>th</sup> Street Utility Underground Project"), so that the work could be funded by SMUD and undertaken as part of RT's construction of the Green Line extension project to Richards Boulevard.
- E. On November 30, 2010, in Resolution 2010-675, City Council authorized the City Manager, or his designee, to establish the North 7<sup>th</sup> Street Utility Underground Project (B18219400) and the revenue and expenditure budgets.
- F. In Agency Resolution 2010-049, adopted on December 14, 2010, the Redevelopment Agency authorized the Executive Director to execute an IPA with the City in the

amount of \$50,000 for the North 7<sup>th</sup> Street Utility Underground Project for temporary construction easements, permanent easements and hazardous material remediation.

- G. SMUD requested a change to the original scope of work, increasing the contract amount by \$12,617 which SMUD agreed to fund.
- H. Additionally, hazardous substances exceeding the original allowance in contingency have been discovered and remediation will cost \$19,085, which funds are available in River District Redevelopment Tax Increment funds.
- I. The North 7th Street Utility Underground Project is Categorically Exempt under the California Environmental Quality Act (CEQA) Guidelines Section 15302 (d), which exempts conversion of overhead utility lines to underground facilities.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE REDEVELOPMENT AGENCY RESOLVES AS FOLLOWS:**

- Section 1. After due consideration of the facts presented, the findings, including the foregoing recitals and the environmental findings regarding this action, as stated in this Resolution are approved and adopted.
- Section 2. Executive Director is authorized to amend the Agency budget for the North 7<sup>th</sup> Street Utility Undergrounding Project by appropriating \$19,085 in River District Tax Increment funding.
- Section 3. In accordance with the California Community Redevelopment Law Section 33445, the Redevelopment Agency of the City of Sacramento finds and determines that:
  - (a) The proposed action, allocating \$19,085 of River District Tax Increment funding in an Individual Project Agreement (IPA) with the City of Sacramento to purchase necessary easements and pay for hazardous substance cleanup and unforeseen site conditions to enhance the current utilities is great benefit to the River District Redevelopment Project Area.
  - (b) There are no other reasonable financial resources available to the community to finance this portion of the utility enhancement.
  - (c) The proposed action furthers the goals of the River District Redevelopment Area and its Five-Year Implementation Plan, as adopted, by assisting elimination of the blighting influences of inadequate, under capacity, and dilapidated infrastructure inside the Project Area.
- Section 4. The Executive Director, or her designee, is authorized to execute an IPA with the City of Sacramento in the amount of \$19,085 for the North 7<sup>th</sup> Street Utility Underground Project.

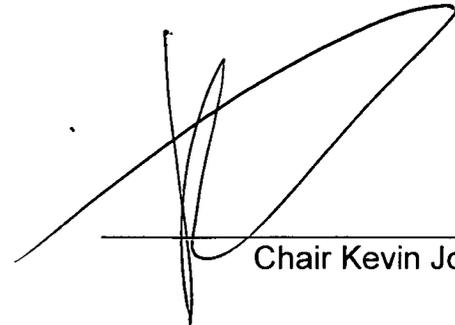
Adopted by the Redevelopment Agency of the City of Sacramento on June 21, 2011 by the following vote:

Ayes: Councilmembers Ashby, Cohn, D Fong, R Fong, McCarty, Pannell, Schenirer, Sheedy and Mayor Johnson.

Noes: None.

Abstain: None.

Absent: None.



Chair Kevin Johnson

Attest:



Shirley Concolino, Secretary