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CITY OF SACRAMENTO

TRAFFIC ENGINEERING DIVISION
1023 J STREET — SUITE 202 SACRAMENTO, CALIF. 95814

CITY MANAGER'S OFFICE
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February 25, 1981

City Council
Parking Authority
Housing and Redevelopment Agency
Sacramento, California

APPROVED
BY THE CITY COUNCIL

MAR -3 1981

OFFICE OF THE
CITY CLERK

Honorable Members in Session:

SUBJECT: Execution of Joint Powers Agreement to Finance Construction of I-5 Garage

SUMMARY

This report recommends the execution of a Joint Exercise of Powers Agreement for the purpose of financing the I-5 garage and allocation of funds for construction. Included is information pertaining to the major elements of the project to date.

BACKGROUND INFORMATION

The I-5 garage will serve the parking demand in Old Sacramento generated by the State Railroad Museum and the many business developments in that area.

The garage will be located under the I-5 Freeway between 2nd, 3rd, I and K Streets, and it will be connected by a vehicular access tunnel to the surface parking lot immediately to the south. This is State-owned land, for which a 30-year lease with a 10-year option was negotiated with Caltrans and approved by the Council on November 5, 1980.

During 1979 and 1980, the project was reviewed and approved by the Redevelopment Commission, Planning Commission, Architectural Review Board, Arts Commission staff, Museum and History Commission staff, and various departments of the City and State.

In July 1980, the Budget & Finance Committee approved of the concept of financing the project by use of fund balances from the Redevelopment Agency and the Parking Authority, with provisions for reimbursing each fund.

The project received environmental clearance by Caltrans and FHWA in December 1980, and in January 1981 Council adopted a resolution for approval of a negative declaration for the project.

Plans and specifications were finalized, and Council authorized advertisement for bids on January 13, 1981.

FINANCIAL DATA

Bids for the project were received on February 17, 1981. The low bid was for \$4,848,000 by SMF Corporation.

The existing 10-year lease between the City and Caltrans for the surface parking lots on the project site will be cancelled upon closing the lot for construction. Termination would otherwise be in 1984. Because most of the rent due for the first four years was deferred to the last six years, a cumulative balance will be due the State upon cancellation.

The total cost of the project (including the above) is itemized as follows:

Low bid by SMF Corporation	\$4,848,000
Contingency (5% of bid amount)	242,400
Design (already appropriated)	174,500
"Special Services" design work	11,200
Art Work (2% of bid amount)	96,960
Existing Lease Balance due State	42,800
State Inspection	39,200
Total Project Cost	<u>\$5,455,060</u>

The recommended means of financing is by a Joint Powers Agreement between the Parking Authority, the Redevelopment Agency and the City. The agreement provides for joint ownership of the garage by those three entities. The Parking Authority will finance 33.33% (\$1,818,171) of the project and the Redevelopment Agency will finance 66.67% (\$3,636,889) of the project. The Parking Authority will own 33.0% of the garage, the Redevelopment Agency will own 66.0% of the garage, and the City will own 1% of the garage. Net revenues remaining after payments for operations, maintenance, and rent to the State will be divided among the three parties respectively to proportion of ownership. Although the City will not participate in the financing of construction, the agreement provides 1% of the net revenues to the City as operator of the garage and as lessee in the lease agreement for the land.

RECOMMENDATIONS


The following are recommended:

1. That the Council adopt the attached resolution authorizing the City Manager to execute a Joint Powers Agreement with the Parking Authority and the Redevelopment Agency.
2. That the Parking Authority adopt the attached resolution authorizing:
 - A. The Chairman of the Parking Authority to execute a Joint Powers Agreement with the City and the Redevelopment Agency, and

February 25, 1981

- B. The appropriation of funds to finance construction of parking facilities under the I-5 Freeway between 2nd, 3rd, I and K Streets.
3. That the Redevelopment Agency adopt the attached resolution authorizing:
- A. The finding of public parking facilities under the I-5 Freeway between 2nd, 3rd, I and K Streets to be of benefit to the City's redevelopment Project No. 4;
- B. The Executive Director of the Housing and Redevelopment Agency to execute a Joint Powers Agreement with the City and the Parking Authority; and
- C. The appropriation of Redevelopment Agency funds for construction of public parking facilities under the I-5 Freeway between 2nd, 3rd, I and K Streets.

Respectfully submitted,



L. M. Frink
Traffic Engineer

Recommendation Approved:



Walter J. Slipe
City Manager

LMF:JMM/mf
Attachments 3

March 3, 1981
District No. 1

RESOLUTION NO. 81-001

Adopted by The Parking Authority on date of

RESOLUTION OF THE PARKING AUTHORITY OF THE CITY OF SACRAMENTO TO ENTER INTO A JOINT EXERCISE OF POWERS AGREEMENT WITH THE CITY OF SACRAMENTO AND THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO AND AUTHORIZING APPROPRIATION OF FUNDS TO FINANCE CONSTRUCTION OF PUBLIC PARKING FACILITIES UNDER THE I-5 FREEWAY BETWEEN 2nd, 3rd, I AND K STREETS

BE IT RESOLVED BY THE PARKING AUTHORITY OF THE CITY OF SACRAMENTO:

1. That the Parking Authority is hereby authorized to enter into a Joint Exercise of Powers Agreement with the City of Sacramento and the Redevelopment Agency of Sacramento for the purpose of financing the construction of parking facilities located under the I-5 Freeway between 2nd, 3rd, I and K Streets in the City of Sacramento.
2. The City Finance Director is hereby authorized to advance \$1,643,671 according to the terms of the Joint Exercise of Powers Agreement by and between the Sacramento Housing and Redevelopment Agency, the Parking Authority of the City of Sacramento and the City of Sacramento, for the construction of public parking facilities under the I-5 Freeway between 2nd, 3rd, I and K Streets in the City of Sacramento.

ATTEST:

SECRETARY

CHAIRMAN

APPROVED
BY THE CITY COUNCIL

MAR -3 1981

OFFICE OF THE
CITY CLERK

RESOLUTION NO. 81-161

Adopted by The Sacramento City Council on date of

RESOLUTION AUTHORIZING CITY TO ENTER INTO A JOINT EXERCISE OF POWERS AGREEMENT WITH THE PARKING AUTHORITY AND THE REDEVELOPMENT AGENCY AND DECLARING FINDING OF BENEFIT TO PROJECT NO. 4 FOR PUBLIC PARKING FACILITIES UNDER THE I-5 FREEWAY.

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

1. The City Manager is hereby authorized and directed to execute on behalf of the City, that certain Joint Exercise of Powers Agreement, under which the City shall construct, operate and maintain public parking facilities located under the I-5 Freeway between 2nd, 3rd, I and K Streets in the City of Sacramento.
2. The City Council hereby finds that the above-mentioned parking facilities are of benefit to Project No. 4 and the immediate neighborhood in which said project is located and that no other means of financing such facilities are available to the community.

MAYOR

ATTEST:

APPROVED
BY THE CITY COUNCIL

MAR - 3 1981

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CITY CLERK

RESOLUTION NO. 81-012

Adopted by the Redevelopment Agency of the City of Sacramento

March 3, 1981

RESOLUTION AUTHORIZING EXECUTION OF JOINT EXERCISE OF POWERS AGREEMENT AND DECLARING FINDING OF BENEFIT TO PROJECT NO. 4 PARKING FACILITY UNDER INTERSTATE 5 FREEWAY

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

Section 1. The Executive Director is authorized to execute that certain "Joint Exercise of Powers Agreement" with the City of Sacramento and the Parking Authority of the City of Sacramento, in form approved by Agency Counsel, in connection with the construction, operation and maintenance of the Parking Facility to be located under the Interstate 5 Freeway between I and K Streets.

Section 2. The Agency's obligation under said Agreement shall be limited to 66.67% of the cost of said Parking Facility, but in no event exceeding Three Million Six Hundred Thirty-Six Thousand Eight Hundred Eighty-Nine Dollars (\$3,636,889.00), and said amount is hereby appropriated to that purpose from the Agency's Parking Facility Fund.

Section 3. The Redevelopment Agency hereby finds that the above-mentioned Parking Facility is of benefit to Project No. 4 and the immediate neighborhood in which said Project is located, and that no other reasonable means of financing such facility is available to the community.

ATTEST:

CHAIRMAN

SECRETARY

APPROVED BY THE CITY COUNCIL

MAR -3 1981

OFFICE OF THE CITY CLERK

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