

RESOLUTION NO. 2005-032

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF FEB 01 2005

**APPROVAL OF THREE CAPITAL IMPROVEMENT PROJECTS (CIPs);
DEFUNDING OF SPECIFIED OLD SACRAMENTO CIPs AND
REALLOCATION OF THE FUNDING TO EXISTING CIPs**

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

Section 1. After due consideration of the evidence presented, the findings, including the environmental findings regarding this action, as stated in the staff report that accompanies this resolution, are approved.

Section 2. Pursuant to Section 33445 of the Health and Safety Code of the State of California, the Agency makes the following findings:

- a) The construction of the boardwalk extension from Joe's Crab Shack to Capitol Mall; the construction of the improvements including surface improvements, lighting, landscaping and benches, north of the Schoolhouse; the Old Sacramento pedestrian lighting; and the pre-development activity in the Docks Area is of benefit to the Merged Downtown Redevelopment Project Area;
- b) There are no other reasonable means of financing the Projects available to the community except for redevelopment area tax increment proceeds;
- c) The use of redevelopment area tax increment proceeds for the Projects will result in the elimination of blighting influences of inadequate, under-capacity and dilapidated infrastructure inside the Project Area and the Projects are consistent with the implementation plan adopted pursuant to Health and Safety Code of the State of California, Section 33490.

Section 3. The City Council authorizes defunding of the tax increment funds (Fund 206) in the specified capital improvement projects as follows:

KC11 – Sacramento River Docks Project A	\$451,949
KC16 – Riverfront Wharf & Street Lighting	6,272
KC17 – O Street Bridge Improvements	20,938
KC36 – Joe's Crab Shack	150,331
KD16 – Old Sacramento Signage	83,479

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Section 4. The City Council hereby reallocates funds from Capital Improvement Project Sacramento River Docks Project A (PN: KC11) for the Old Sacramento Pedestrian Lighting Project (PN: KC96) with a budget of \$360,000 as follows:

<u>Fund</u>	<u>Agency</u>	<u>Org. #</u>	<u>Object/Rev. Code</u>	<u>Amount</u>
206	500	KC96	4258	\$360,000
206	500	KC96	3530	\$360,000

Section 5. The City Council hereby establishes a Capital Improvement Project for the South Side Boardwalk Extension (PN: KD51) with a budget of \$100,000 as follows:

<u>Fund</u>	<u>Agency</u>	<u>Org. #</u>	<u>Object/Rev. Code</u>	<u>Amount</u>
206	500	KD51	4258	\$100,000
206	500	KD51	3530	\$100,000

Section 6. The City Council hereby establishes a Capital Improvement Project for the Schoolhouse Landing (PN: KD46) with a budget of \$150,000 as follows:

<u>Fund</u>	<u>Agency</u>	<u>Org. #</u>	<u>Object/Rev. Code</u>	<u>Amount</u>
206	500	KD46	4258	\$150,000
206	500	KD46	3530	\$150,000

Section 7. The City Council hereby establishes a Capital Improvement Project for the Pioneer Bridge (PN: KD41) with a budget of \$807,969 as follows:

<u>Fund</u>	<u>Agency</u>	<u>Org. #</u>	<u>Object/Rev. Code</u>	<u>Amount</u>
206	500	KD41	4258	\$807,969
206	500	KD41	3530	\$807,969

Section 8. The City Council hereby authorizes the City Manager to enter into individual project agreements (IPAs) with the Redevelopment Agency of the City of Sacramento (Agency) in the amount of \$1,417,969 for the Old Sacramento Pedestrian Lighting Project, South Side Boardwalk Extension, Schoolhouse Landing and the Pioneer Bridge Projects.

HEATHER FARGO

ATTEST:

MAYOR

SHIRLEY CONCOLINO

CITY CLERK

FOR CITY CLERK USE ONLY

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**Sacramento
Housing &
Redevelopment
Agency**

January 19, 2005

City Council and the Redevelopment Agency of the City of Sacramento
Sacramento, CA

Honorable Members in Session:

**SUBJECT: APPROVAL OF THREE CAPITAL IMPROVEMENT PROJECTS (CIPs);
DEFUNDING OF SPECIFIED OLD SACRAMENTO CIP PROJECTS
AND REALLOCATION OF FUNDING TO EXISTING CIPs.**

LOCATION AND COUNCIL DISTRICT: City Council District 1 -
The Old Sacramento Historic District

RECOMMENDATION:

Staff recommends adoption of the attached Agency resolution that authorizes:

1. Defunding of the following capital projects:

• Old Sacramento Signage Program	\$39,803
• Sacramento River Trail & Signage	\$98,700
• Waterfront Restaurant	\$253,283
• Ebner Hotel Stabilization	\$321,183
• Docks Area Development	\$350,000
• Old Sacramento Boardwalk	\$355,000

2. Re-allocating the tax increment funds (Fund 206) as follows:
 - Augment Old Sacramento Pedestrian Lighting by \$360,000;
 - South Side Boardwalk Extension (new): \$100,000;
 - Schoolhouse Landing (new): \$150,000; and
 - Pioneer Bridge (new): \$807,969

3. The Executive Director to enter into four IPAs with the City of Sacramento in the amount of \$1,417,969 for the four capital projects described in Item 2 above.

Staff recommends adoption of the attached City resolution that authorizes:

1. Establishing three Capital Improvement Projects (CIP) with revenue and expense budgets as follows:
 - South Side Boardwalk Extension in the amount of \$100,000 (PN: KD51);
 - Schoolhouse Landing in the amount of \$150,000 (PN: KD46); and
 - Pioneer Bridge in the amount of \$807,969 (PN: KD41)

2. Defunding the following tax increment funded Capital Improvement Projects:

• KC11 – Old Sacramento Visitor Boat Docks	\$451,949
• KC16 – Sacramento River Trail & Signage	\$6,272
• KC17 – O Street Bridge Improvements	\$20,938
• KC36 – Waterfront Restaurant	\$150,331
• KD16 – Old Sacramento Signage	\$88,479

3. Re-allocating the tax increment funds as follows:
 - Increase the revenue and expense budgets for the Old Sacramento Pedestrian Lighting CIP (PN: KC96) by \$360,000 for a total budget of \$760,000.
 - With the remainder, establish revenue and expense budgets for the three newly created CIPs described in Section 1 above.

4. The City Manager to enter into four individual project agreements (IPA) with the Redevelopment Agency of the City of Sacramento (Agency) in the total amount of \$1,417,969 for the four City CIPs outlined in Items 1 and 3 above.

CONTACT PERSON: Laura Sainz, Senior Project Manager, 808-2677

FOR COUNCIL MEETING OF: February 1, 2005

SUMMARY:

There are a number of existing Capital Improvement Project budgets related to improvements in Old Sacramento that are no longer needed because the projects have been completed. In an effort to eliminate blight and build necessary public improvements, staff would like to reallocate those tax increment funds for three new CIPs including:

1. South Side Boardwalk Extension in the amount of \$100,000;
2. Schoolhouse Landing in the amount of \$150,000; and
3. Pioneer Bridge project in the amount of \$807,969.

In addition, some of the tax increment funding in place for Old Sacramento needs to be reallocated to the existing lighting program in order to fund the installation of new lighting

in Old Sacramento. This will be accomplished by increasing the revenue and expense budgets for the Old Sacramento Pedestrian Lighting CIP (PN: KC96) by \$360,000.

BACKGROUND:

There are a number of existing Capital Improvement Project budgets related to improvements in Old Sacramento that are no longer needed because the projects have been completed. The projects were funded in order to build specific improvements. The projects have been built and balances remain in the CIPs. Those projects include:

1. Old Sacramento Visitor Boat Docks
2. Sacramento River Trail & Signage
3. O Street Bridge Improvements
4. Waterfront Restaurant
5. Old Sacramento Signage

There is also a need to build public improvements in order to eliminate the blighting influences of inadequate, under-capacity and dilapidated infrastructure inside the Merged Downtown Redevelopment Project Area. In order to build the public improvements, staff recommends reallocating tax increment funds to three new CIPs including:

1. South Side Boardwalk Extension in the amount of \$100,000

This CIP is being established to pay for the extension of the boardwalk south of Joe's Crab Shack to Capitol Mall. Since there is still some uncertainty regarding how the expansion of the Tower Bridge will interact with access points along the boardwalk, this extension will be temporary but will allow for pedestrians traveling from Capitol Mall and the Tower Bridge Parking Lot to have a clear path to the existing boardwalk.

2. Schoolhouse Landing in the amount of \$150,000

This CIP is being established to complete improvements to L Street adjacent to the Old Schoolhouse in Old Sacramento. The improvements will prevent deliveries to the nearby restaurants from damaging the boardwalk as well as improve the pedestrian environment by installing benches, lighting and landscaping in the area.

3. Pioneer Bridge in the amount of \$807,969

This CIP is being established to clearly identify the matching funds, required by the SACOG planning grant awarded for completion of the Docks Area Master Plan. The Master Plan area is located south of Embassy Suites to the Pioneer Bridge. Some of the identified funding for this CIP was previously approved by the City Council. The remainder is the reallocation of existing CIPs.

FINANCIAL CONSIDERATIONS:

For Fiscal Years 2004 and 2005 (January 1 through December 31), tax increment funding was budgeted and approved by the Sacramento Housing and Redevelopment Agency (SHRA) for both the Docks Project and the Boardwalk Project as follows:

▪ Docks Project (2004 Budget)	\$200,000
▪ Docks Project (2005 Budget)	150,000
▪ Boardwalk Project (2004 Budget)	230,000
▪ Boardwalk Project (2005 Budget)	<u>25,000</u>
Net Budgeted Project Funds	\$705,000

In addition, tax increment funds have been budgeted and set aside for City capital improvement projects. These projects have already been built and are completed. The projects have remaining balances as follows:

• KC11 – Old Sacramento Visitor Boat Docks	\$451,949
• KC16 – Sacramento River Trail & Signage	6,272
• KC17 – O Street Bridge Improvements	20,938
• KC36 – Waterfront Restaurant	150,331
• KD16 – Old Sacramento Signage	83,479
Net CIP Funds Available	\$712,969

By “defunding” the tax increment funds (Fund 206) from the Docks, Boardwalk and five CIPs listed above, the funds from these projects will be reallocated to more specifically track three new projects as well as augment the existing lighting program in Old Sacramento. The resources available from both budgeted projects and CIPs total \$1,417,969.

Reallocation of the tax increment funds for three new CIPs and the current lighting project is recommended as follows:

• South Side Boardwalk Extension (new)	\$100,000
• Schoolhouse Landing (new)	150,000
• Pioneer Bridge (new)	807,969
• Old Sacramento Pedestrian Lighting (PN: KC96)	<u>360,000</u>
Total Reallocation	\$1,417,969

Since these are tax increment funds, the new CIPs need to be established by the City, and the Agency and the City need to enter into four Individual Project Agreements (IPAs). The attached resolutions would authorize the actions to put the projects in place.

ENVIRONMENTAL CONSIDERATIONS:

Commitment of funding for new projects that could result in a direct or indirect physical change to the environment are subject to environmental review under the California Environmental Quality Act (CEQA) if implementation of the projects is authorized as part of

the budgeting process. The South Side Boardwalk Extension, Schoolhouse Landing and Old Sacramento Pedestrian Lighting projects are exempt from environmental review pursuant to CEQA Guidelines Section 15301. The Pioneer Bridge approval is for budgeting purposes only and this project will be subject to environmental review as part of the Area Plan adoption and before construction is authorized.

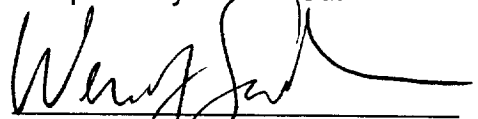
POLICY CONSIDERATIONS:

The reallocation of funding into the four CIPs is consistent with the following strategies:

1. The Merged Downtown Redevelopment Strategy
2. The Riverfront Master Plan Update 2003
3. The City of Sacramento Strategic Plan 2000-2004

ESBD CONSIDERATIONS: None.

Respectfully submitted:



Wendy Saunders
Economic Development Director

RECOMMENDATION APPROVED:



Robert P. Thomas
City Manager

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