

RESOLUTION NO. 2006-633

Adopted by the Sacramento City Council

August 22, 2006

APPROVE FUNDING AMENDMENTS TO THE DOCKS AREA REDEVELOPMENT PROJECT (KD41); GRANT APPLICATIONS, AGREEMENTS AND FUNDING; CONTRACT AMENDMENTS; AND SUPPORT FOR THE RELOCATION OF THE TANK FARMS ALONG THE SACRAMENTO RIVERFRONT

BACKGROUND

- A. In July 2003, the City Council accepted the Sacramento Riverfront Master Plan (Master Plan). Included in the Master Plan was the identification of the Docks Area as an opportunity site. The original concept for the Docks Area included a mixed-use neighborhood and a riverfront parkway/promenade.
- B. In 2005, the City engaged in an extensive community planning process to further define the Docks Area. The Docks Area community planning process resulted in a concept design for a high density, mixed-use neighborhood with a riverfront promenade along the Sacramento River.
- C. In January 2006, the Redevelopment Agency of the City of Sacramento (Agency) approved an Exclusive Right to Negotiate with KSWM Docks Partners, LLC as the Master Developer for the Docks Area.
- D. In April 2006, the City was awarded a \$1.239 million Sacramento Area Council of Governments grant for the design and construction of the Docks Area Riverfront Promenade, with a required local match of \$161,000. In May 2006, the City was awarded a \$183,620 grant from the California Transportation Department (Caltrans) with a required local match of \$45,905.
- E. In May 2006, City Council provided direction to issue a Request for Proposals for the community outreach and design of the Docks Area promenade and levee improvements. An evaluation committee reviewed proposals and conducted interviews before recommending awarding the contract to Walker Macy.
- F. Nichols Consulting Engineers, Chtd. (Nichols) was awarded a contract to assist with predevelopment analysis in the Docks Area. Predevelopment analysis included a Phase I & II Environmental Site Assessment, an infrastructure assessment and early design of future infrastructure needs. A contract amendment is needed to authorize Nichols to continue to provide technical assistance related to appraisal support and working with the Department of Toxic Substances Control regarding remediation options related to redeveloping the Docks Area.

- G. The development team selected for the Docks Area, KSWM Docks Partners, LLC has submitted a \$100,000 deposit to the Agency.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

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 City Council makes the following findings:

- a) The Docks Area Projects, including the promenade/parkway and levee improvements; the property acquisition and the technical assistance from Nichols Consulting Engineers are of benefit to the Merged Downtown Redevelopment Project Area because of the improvements to public infrastructure, the consolidation of properties for the eventual high-density mixed-use development and the remediation of a Brownfields site;
- b) There are no other reasonable means of financing the Projects available to the community except for redevelopment area tax increment proceeds; and
- 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 Manager is authorized to:

- a) Execute a Memorandum of Understanding between the City of Sacramento and the Sacramento Area Council of Governments (SACOG) for a \$1.239 million SACOG 2005-2007 Community Design Grant awarded to the City (KD41);
- b) Enter into two Individual Project Agreements (IPA) with the Redevelopment Agency of the City of Sacramento (Agency) for KD41 including:

IPA 1: Transferring \$45,905 of tax increment funds from the Merged Downtown Development Assistance project in order to provide the local match needed for a \$183,620 California Transportation Department (Caltrans) Grant awarded to the City.

IPA 2: Transferring \$1,246,577 of tax increment funds from the Merged Downtown Development Assistance project which includes \$161,000 for the required matching funds for the SACOG grant as well as \$1,085,577 for

agreements with Walker Macy.

- c) Amend and increase the existing IPA with the Agency in the amount of \$245,000 for KD41 based on the allocation of \$145,000 of tax increment funds from the Merged Downtown Development Assistance project for a contract amendment with Nichols Consulting Engineers, Chtd. and the transfer of the \$100,000 deposit from KSWM Docks Partners, LLC from the Agency to the City of Sacramento;

Section 4. The FY06/07 Capital Improvement Program revenue and expenditure budgets are hereby amended by increasing the revenue and expenditure budgets for the KD41 IPAs, when the appropriate documents are executed, in the following amounts:

- \$45,905 for the Caltrans match, \$161,000 for the SACOG match, \$1,085,577 for the Walker Macy agreement, \$145,000 for the Nichols amendment and \$100,000 from the developer's deposit from tax increment/Agency funds (Fund 206)
- \$183,620 from the Caltrans grant (Fund 512)
- \$1.239 million from the SACOG grant (Fund 248)

Section 5. The City Manager is authorized and directed to execute an agreement with Walker Macy for a total amount of \$229,525 for the preliminary design of the Docks Area levee improvements and promenade/parkway project (KD41);

Section 6. The City Manager is authorized and directed to execute an agreement with Walker Macy for a total amount of \$2,485,577 for the design and construction documents for the Docks Area levee improvements and promenade/parkway project (KD41);

Section 7. The City Manager is authorized to execute a fourth amendment to City Agreement No. 2004-0161 with Nichols Consulting Engineers, Chtd. increasing the contract amount by \$145,000 for professional services (KD41);

Section 8. The City Council supports an application for a Proposition 50 California River Parkways grant of up to \$4 million and authorizes the City Manager to execute all necessary agreements and documents, if the grant is awarded; and

Section 9. The area south of Pioneer Bridge and north of the Marina/Miller Park is hereby declared a Revitalization Area in support of the efforts to relocate the existing tank farms to more quickly revitalize the Sacramento Riverfront.

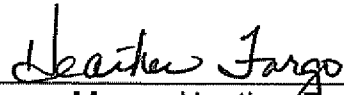
Adopted by the City of Sacramento City Council on August 22, 2006 by the following vote:

Ayes: Councilmembers, Cohn, Fong, Hammond, McCarty, Pannell, Sheedy,
Tretheway, Waters, and Mayor Fargo.

Noes: None.

Abstain: None.

Absent: None.



Mayor, Heather Fargo

Attest:


Shirley Concolino, City Clerk