



REPORT TO COUNCIL

City of Sacramento

25

915 I Street, Sacramento, CA 95814-2671
www. CityofSacramento.org

CONSENT
December 13, 2005

Honorable Mayor and
Members of the City Council

Subject: Approve Submission of Loan Application to the California Infrastructure Bank for the 65th Street and Broadway Detention Basin Project (PN:WJ76)

Location/Council District:

The 65th Street and Broadway Detention Basin Project is located one parcel east of the intersection of 65th Street and Broadway adjacent to Redding Avenue. It is located in Council District 6. (See location map-Attachment 1)

Recommendation:

Staff recommends that the City Council adopt the attached resolutions approving the submission of the I-Bank loan application in the amount of \$4 million dollars for the 65th Street and Broadway Detention Basin Project (PN:WJ76).

Contact: David L. Brent, Engineering Manager, 808-1420; Andy Hunt, Supervising Engineer, 808-1408

Presenters: N/A

Department: Utilities

Division: Engineering Services

Organization No: 3332

Summary:

This report requests approval to submit a loan application for the 65th Street and Broadway Detention Basin Project located east of the intersection of 65th Street and Broadway. The proposed detention basin will allow for more effective management of storm events and reduce impacts to the storm water system during storms. The City will be reimbursed from future tax increment revenue from Sacramento Housing and Redevelopment Agency (SHRA). It is anticipated that there will be sufficient tax increment flow to cover the annual debt service payments to the I-Bank.

Committee/Commission Action: None.

Background Information:

Following major flooding in 1986, the City Council adopted Resolution 93-164, directing staff to master plan drainage basins in areas experiencing the most severe flood control problems. A Master Plan Study for flood control improvements in Drainage Basin 31 was completed in May 1999, dividing Drainage Basin 31 into multiple improvement phases. The proposed 65th Street and Broadway Detention Basin Project ("Project") is one of those projects.

Staff intends to recommend City Council adoption of a Resolution of Necessity to acquire the property needed for the Project in a separate report at the City Council's December 13, 2005 meeting. The purpose of this staff report and resolution is to obtain City Council approval to submit an application to the I-Bank for a loan in the amount of \$4 million dollars. The Project is located within a redevelopment project area, and City and SHRA staff are working on a Cooperative Agreement whereby the City will receive future tax increment revenue to cover the annual debt service payments to the I-Bank. Staff will return to City Council for approval of the Cooperative Agreement and loan. Staff will continue efforts to reach an agreement with the property owners during this process.

Financial Considerations:

It is anticipated that the 65th Street and Broadway Detention Basin Project (PN:WJ76) will be financed from proceeds received from the I-Bank loan in the amount of \$4 million dollars. The Department of Utilities will be reimbursed from future tax increment revenue from SHRA in accordance with a Cooperative Agreement that will be brought to City Council at a future date.

Environmental Considerations:


The action recommended by this report – approval to submit a loan application to the I-Bank - does not commit the City to any course of action and does not constitute a project approval under the California Environmental Quality Act (CEQA). The City Council will be asked to adopt the Project Mitigated Negative Declaration and Mitigation Reporting Plan prior to any Project approval. Adoption of these CEQA documents currently is scheduled for consideration at the City Council's December 13, 2005 meeting.


Policy Considerations:

This reports recommendation is consistent with the City's Strategic Plan Goals of improving and expanding public safety and achieving sustainability and livability.

Emerging Small Business Development (ESBD):

Not applicable. There are no goods or services being purchased as a direct result of this report.

Respectfully Submitted by: 
David L. Brent
Engineering Manager

Approved by: 
Gary A. Reents
Director of Utilities

Recommendation Approved:


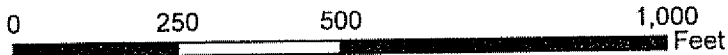
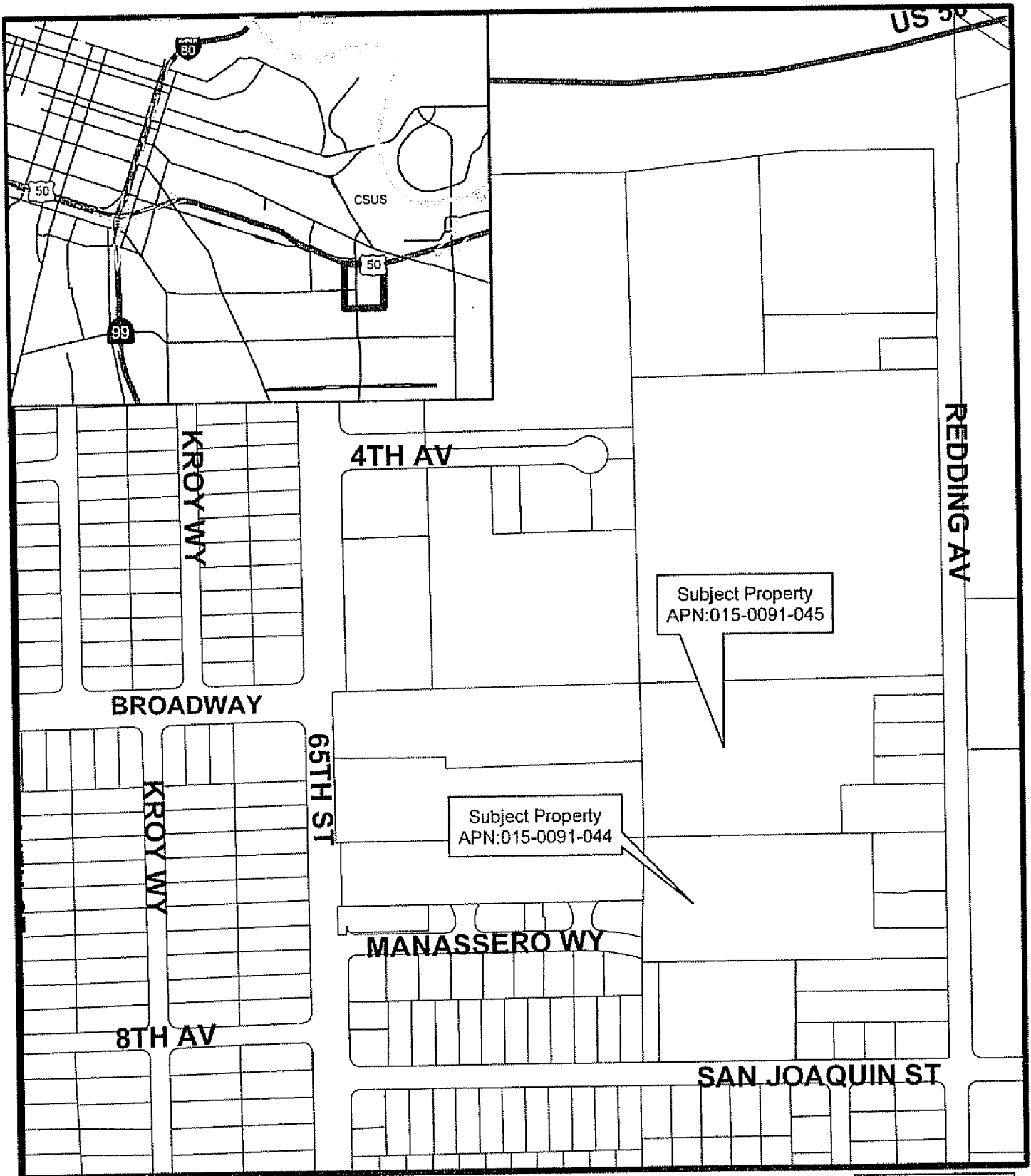

For ROBERT P. THOMAS
City Manager

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ATTACHMENT 1



City Of Sacramento
Development Services
Department
Special Districts
5:15 Dev. IGIS\Nad83\Maps\BS2.mxd
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RESOLUTION NO.

Adopted by the Sacramento City Council

A RESOLUTION BY THE CITY OF SACRAMENTO AUTHORIZING THE SUBMISSION OF THE APPLICATION TO THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK FOR FINANCING OF THE 65TH STREET AND BROADWAY DETENTION BASIN PROJECT (PN: WJ76) AND APPROVING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH

BACKGROUND

- A. The California Infrastructure and Economic Development Bank ("Infrastructure Bank") administers a financing program to assist local governments with the financing of Public Development Facilities as described in Section 63000 *et seq.* of the California Government Code (the "Act").
- B. The Infrastructure Bank has instituted an application process for financing under its Infrastructure State Revolving Fund Program.
- C. The City of Sacramento desires to submit an application ("Financing Application") to the Infrastructure Bank for the financing of the 65th Street and Broadway Detention Basin Project (PN: WJ76) in the amount not to exceed \$4,000,000 and the Act requires the Applicant to certify by resolution certain findings prior to a Project being selected for financing by the Infrastructure Bank.

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

- Section 1. The City of Sacramento hereby approves the filing of a Financing Application with the Infrastructure Bank for the Project; and in connection therewith certifies:
 - A. That the Project is consistent with the General Plan of both the City of Sacramento and the County of Sacramento;
 - B. The proposed financing is appropriate for the Project;
 - C. The Project facilitates effective and efficient use of existing and future public resources so as to promote both economic development and conservation of natural resources.

- D. The Project develops and enhances public infrastructure in a manner that will attract, create, and sustain long-term employment opportunities; and
- E. The Project is consistent with the Infrastructure Bank's Criteria, priorities and Guidelines for the Infrastructure State Revolving Fund Program.

Section 2. The Director of Utilities is hereby authorized and directed to act on behalf of the City of Sacramento in all matters pertaining to this application.

Section 3. If the application is approved, and the loan agreement is approved by the City Council, The City Manager will be authorized to enter into and sign the financing documents and any amendments thereto with the Infrastructure Bank for the purposes of this financing.

Section 4. This resolution shall become effective upon adoption.