

March 17, 1999

1-1

Redevelopment Agency of the  
City of Sacramento  
Sacramento, California

Honorable Members in Session:

**SUBJECT:** Approval of \$138,500 Predevelopment Funding for the Greater Sacramento Urban League Workforce Development Center in Del Paso Heights

**LOCATION & COUNCIL DISTRICT**

3725-3737 Marysville Boulevard in the Del Paso Heights Redevelopment Area in Council District 2.

**RECOMMENDATION**

Staff recommends adoption of the attached resolution, which authorizes the Executive Director or her designee to:

- ◆ Execute a predevelopment agreement with the Greater Sacramento Urban League for the development of a Workforce Development Center on Marysville Boulevard;
- ◆ Provide funding in the amount of \$138,500 for predevelopment costs related to this project; and
- ◆ To amend the Agency budget by transferring \$138,500 from the liquor store acquisition to the Greater Sacramento Urban League Workforce Development Center Project.

**CONTACT PERSONS**

John Dangberg, Community Development Director, 440-1316  
Leslie Fritzsche, Program Manager, 440-1301

**FOR COUNCIL MEETING OF** - March 30, 1999

## SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency of the City of Sacramento  
March 17, 1999  
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### SUMMARY

This report recommends the approval of a \$138,500 predevelopment funding for the construction of the Greater Sacramento Urban League Workforce Development Center in Del Paso Heights. This investment comprises approximately 27 percent of the \$510,500 predevelopment budget. The remaining \$372,000 will be funded by a combination of GSUL private fundraising equity and a special grant from HUD. It also recommends amending the Agency budget by transferring \$138,500 from the liquor store acquisition to the Greater Sacramento Urban League Workforce Development Center project

### PAC/RAC/TAC ACTION

At its meeting of March 11, 1999, the Del Paso Heights Redevelopment Advisory Committee is expected to recommend approval of the attached resolution. In the event that they fail to do so, you will be advised prior to your meeting.

### COMMISSION ACTION

At its meeting March 17, 1999, the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolutions. The votes were as follows:

AYES: Amundson, Castello, Dobbins, Hoag, Holloway, Newsome,

NOES: None

NOT PRESENT TO VOTE: Harland

ABSENT: Cespedes, Rotz, Simon

### BACKGROUND

The Greater Sacramento Urban League (GSUL) first approached the Agency in the Fall of 1997 with a conceptual proposal to relocate their administrative and training facilities to the Del Paso Heights Redevelopment Area. The lease for their current facilities on Broadway will not be renewed after May 2000 due to UC Davis Medical Center's need for additional office space. GSUL saw this as an opportunity to both become an owner-builder of a new permanent facility and to expand their education and employment training services directly into the North area.

GSUL is a private, non-profit, community service organization formed in 1968. It is one of 114 affiliates of the National Urban League, which was formed 88 years ago to serve as a catalyst for

## SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency of the City of Sacramento

March 17, 1999

Page 3

racial equality and the equitable advancement of minorities. The GSUL has a number of target populations. It serves people of all ages and ethnic backgrounds who are in need of basic job preparation, training, and placement. A number of its programs target teens and young adults and offer a wide array of educational services, such as pregnancy prevention, tobacco awareness, HIV/AIDS prevention, and specialized employment/education opportunities.

The initial concept has evolved into the proposal to develop an approximate 28,000 square foot workforce training center, day care facility, and commercial lease space on Marysville Boulevard (see Attachment I). This project will be the first new construction in several decades on the block south of Grand Avenue, and is expected to be a catalyst for the revitalization of the commercial corridor. The total costs for the project are estimated to be \$4,700,000. The GSUL has received a \$1,500,000 grant through the HUD Economic Development Initiative program for this project. In addition the GSUL has initiated a capital campaign to raise \$1,500,000. An application for \$1,650,000 has been submitted to the Agency for the remaining funds needed to complete the project. The action before you is the appropriation of \$138,500 for predevelopment funding to cover a portion of the architectural and engineering, project management and other miscellaneous predevelopment costs for the project. In order to meet the May 2000 deadline to move out of the Broadway facility, construction of the new building must begin in August or September 1999.

### FINANCIAL CONSIDERATIONS

GSUL has submitted an application to the Agency for development funding in the amount of \$1,650,000. Staff will be returning in May or June of 1999 with a request for a development grant of approximately \$1,500,000 for the construction phase of this project, which will be funded as a tax-exempt project under the 1999 Del Paso Heights bond program. The action before you is the approval of predevelopment funding only. The Agency's predevelopment funding would be \$138,500 to be transferred from the liquor store acquisition to the Greater Sacramento Urban League Workforce Development Center Project. The liquor acquisition was cancelled due to the closing of the liquor store at 3701 Marysville Boulevard, liquor license revocation and the discovery of significant site contamination. It is the intent of the Agency to utilize proceeds from the pending bond sale to return the \$138,500 of GSUL funding to Del Paso Heights Developers Assistance fund.

The GSUL has received a \$1,500,000 grant through the HUD Economic Development Initiative program for this project. Of that, \$205,000 will be used for allowable predevelopment costs. In addition, GSUL will be contributing \$167,000 of private fundraising monies for the predevelopment phase. Staff is recommending the approval of \$138,500 funding for the remainder of the predevelopment budget. Refer to Attachment II, Exhibit A, for a detailed scope of predevelopment tasks and costs.

# SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency of the City of Sacramento  
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## Summary of Predevelopment Budget Sources

Agency	\$138,500 (27%)
GSUL	167,000 (33%)
HUD grant	205,000 (40%)
TOTAL	\$510,500

## POLICY CONSIDERATIONS

The recommended action is consistent with previously approved policy described in the *Fifth Amendment to the Del Paso Heights Redevelopment Plan* and with California Redevelopment Law.

## ENVIRONMENTAL REVIEW

All public and private actions in furtherance of the Del Paso Heights Redevelopment Plan were deemed approved at the time of adoption of the Plan, per CEQA Guidelines, Section 15180, 15162 and 15163. No further CEQA documentation is required at this time. Per NEPA requirements, a Finding of No Significant Impact specific to this action will be published prior to the drawdown of federal funds for acquisition or construction.

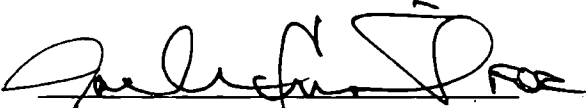
## M/WBE CONSIDERATIONS

The GSUL will be encouraged to utilize minority and women-owned businesses for contracting opportunities related to this project.

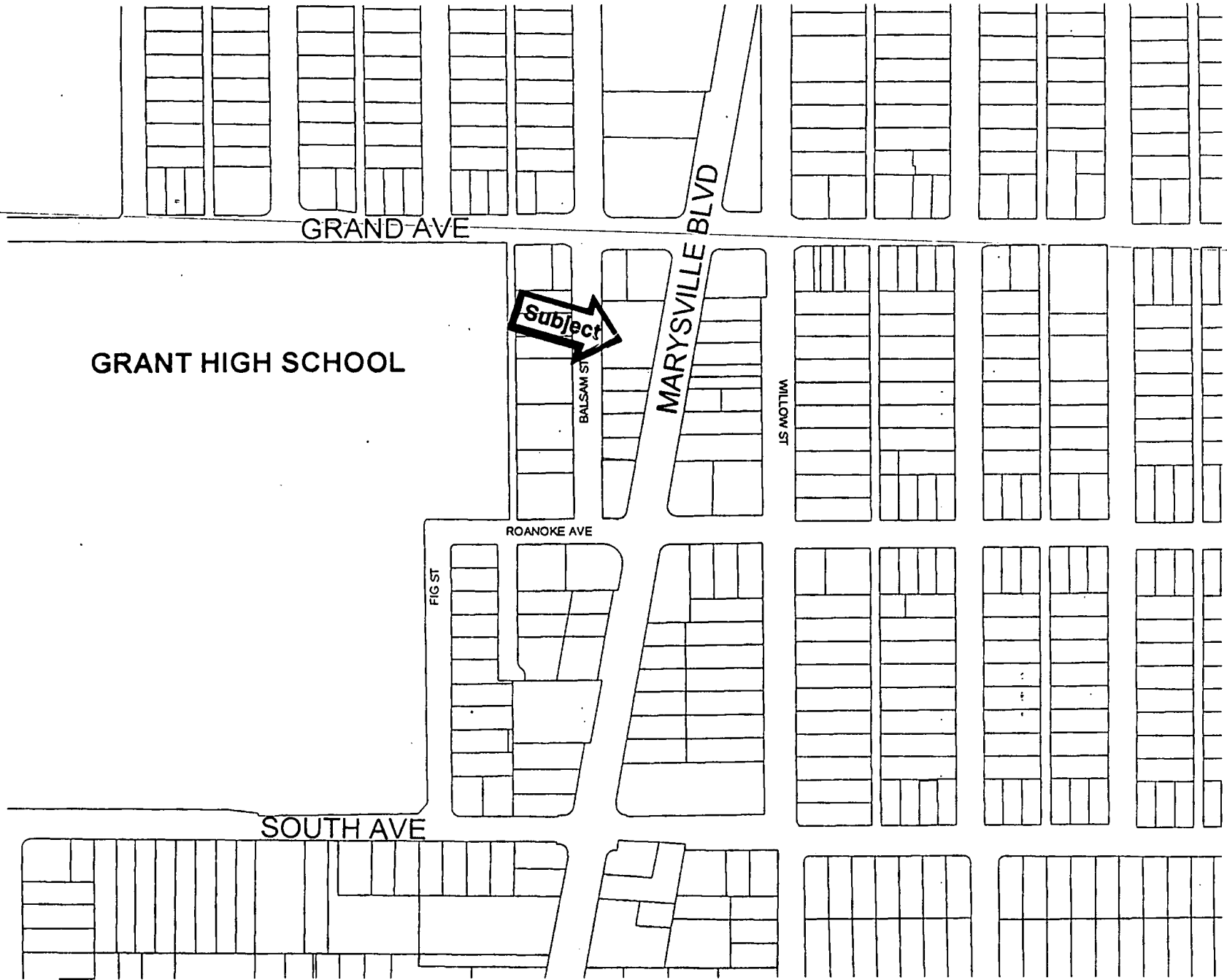
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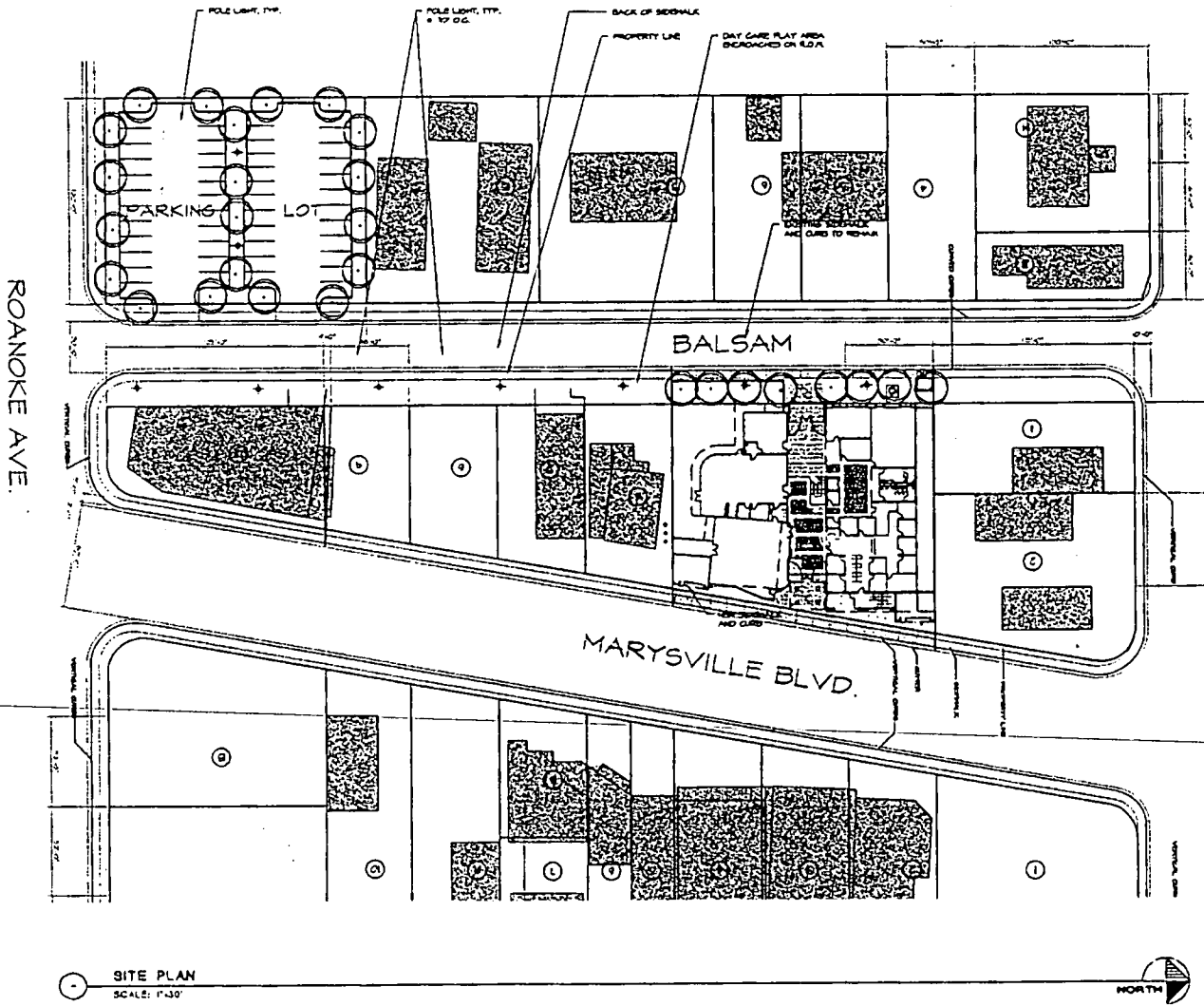
  
ANNE M. MOORE  
Executive Director

Transmittal approved,

  
WILLIAM H. EDGAR  
City Manager

# URBAN LEAGUE PROJECT





1 SITE PLAN  
SCALE: 1"=30'

GRAND AVE.

PROJECT DATA: 10,096 S.F.  
SITE AREA (T.S.) 37,130 S.F.  
OFF STREET PARKING PROVIDED 10,000 S.F.  
40 SPACES

- LEGEND:
- TURF
  - SECURITY LOW GROUND COVER
  - BROAD DECIDUOUS TREE
  - EXTERIOR LIGHTED AREA
  - EXISTING BUILDINGS



McGAHEY & ASSOCIATES, INC.  
REGISTERED PROFESSIONAL ARCHITECTS  
1000 N. STREET  
SACRAMENTO, CALIF. 95811  
TEL. 916.441.1111  
FAX 916.441.1112

CONSULTANT

PROJECT NUMBER

98072  
GREATER SACRAMENTO

TRAINING CENTER WORKFORCE

Sheet Title

PLAN SITE & LANDSCAPE

Date

3/2/99

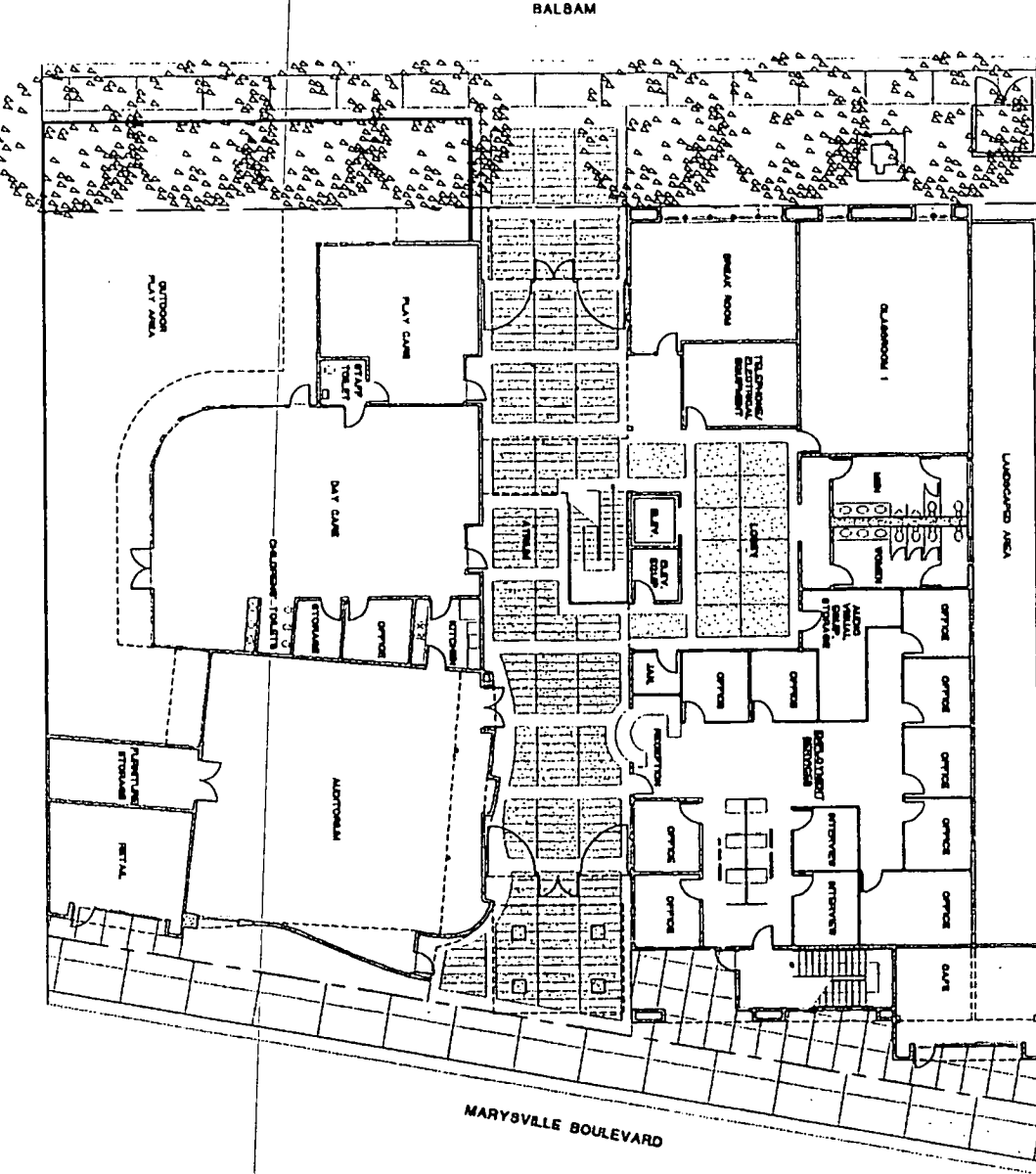
Author

Drawn

(L)

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FIRST FLOOR PLAN  
SCALE: 1/8" = 1'-0"



BALSAM

MARYSVILLE BOULEVARD



NO OVEREAD  
NOTES  
4/3/2014

DATE: 3/2/98  
DRAWN BY: [illegible]  
CHECKED BY: [illegible]

Project Number

98072

Project

GREATER  
SACRAMENTO  
URBAN LEAGUE  
WORKFORCE  
TRAINING CENTER

Sheet Title

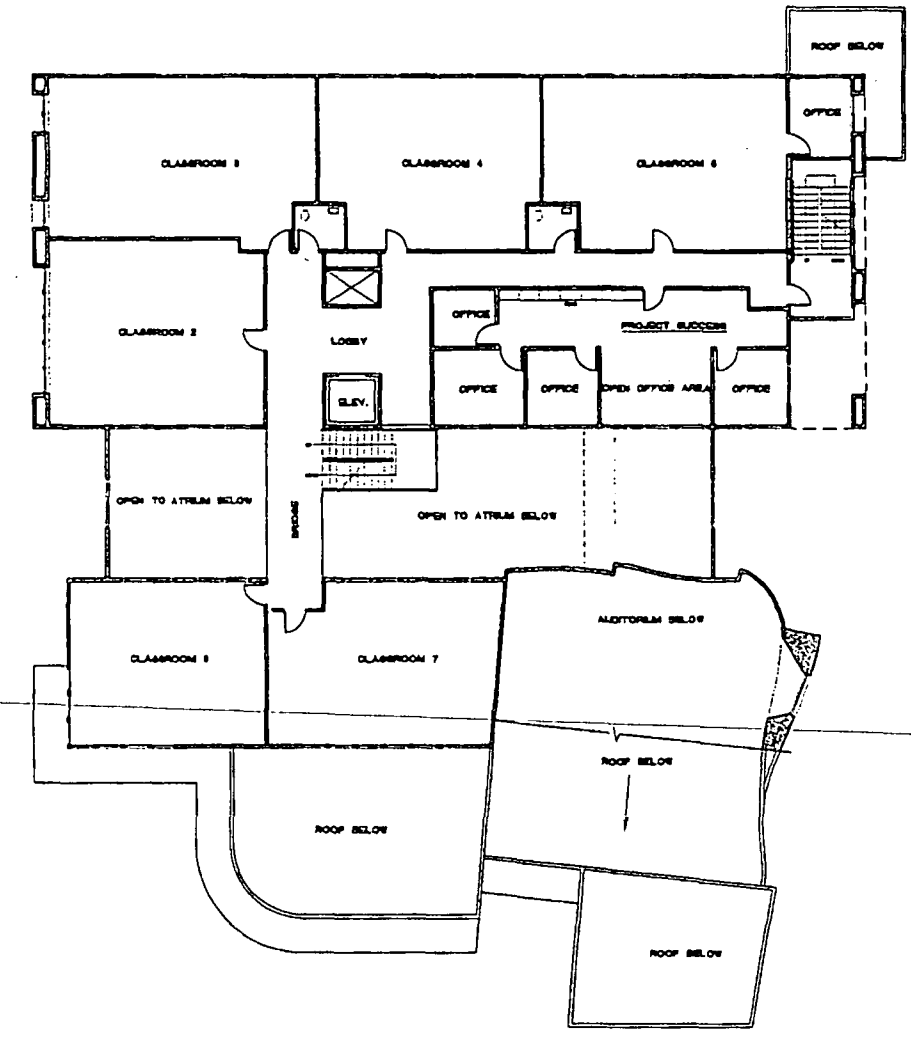
1ST FLOOR

3/2/98

Author

A-2

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SECOND FLOOR PLAN  
SCALE 1/8"=1'-0"



HOGAVERO  
NOTESTINE  
ASSOCIATES

1981-82  
1983-84  
1985-86  
1987-88  
1989-90  
1991-92

CONSULTANT

PROJECT NUMBER

98072

PROJECT

GREATER  
SACRAMENTO  
URBAN LEAGUE  
WORKFORCE  
TRAINING CENTER

SHEET TITLE

2ND FLOOR

DATE

3/2/99

DESIGNER

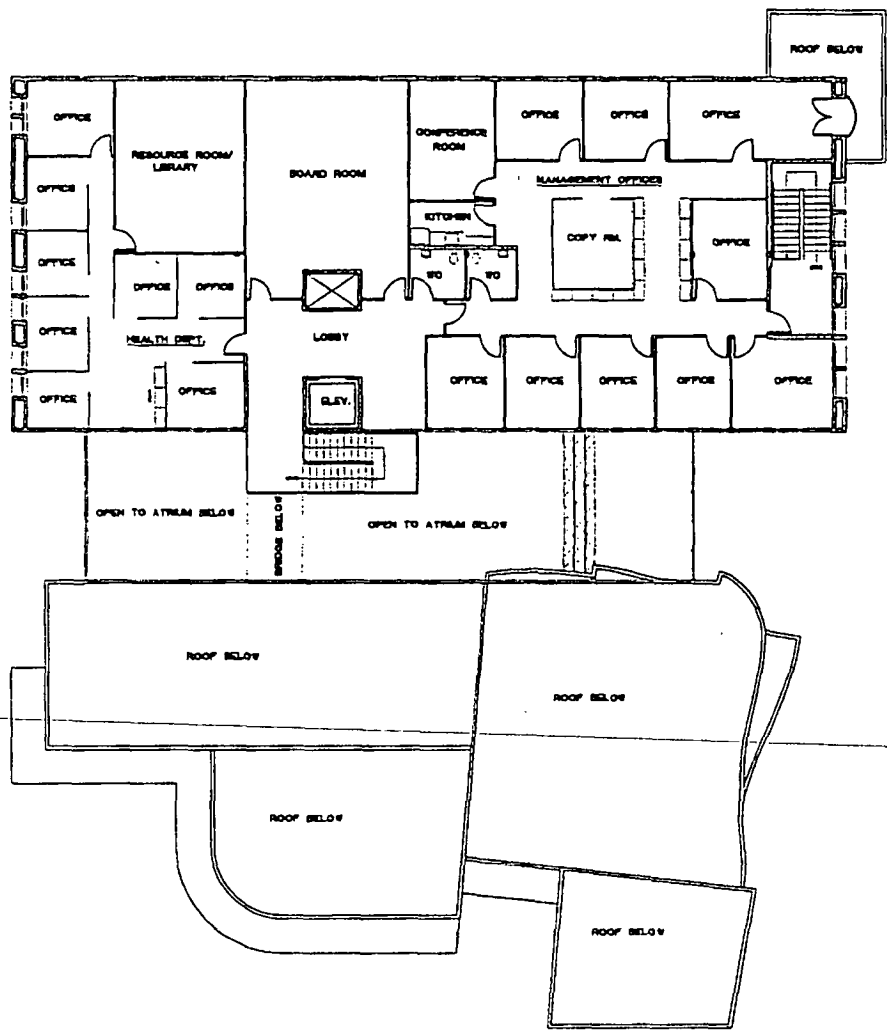
DRW

A-3



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THIRD FLOOR PLAN  
SCALE: 1/8"=1'-0"



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MOGAYERO  
NOTESINE  
ASSOCIATES

1111 J STREET  
SACRAMENTO  
CA 95811  
916 442 1222  
FAX 916 442 1222

CONTRACT

PROJECT NUMBER

98072  
PROJECT

GREATER  
SACRAMENTO  
URBAN LEAGUE

WORKFORCE  
TRAINING CENTER

Sheet Title

3RD FLOOR

Date

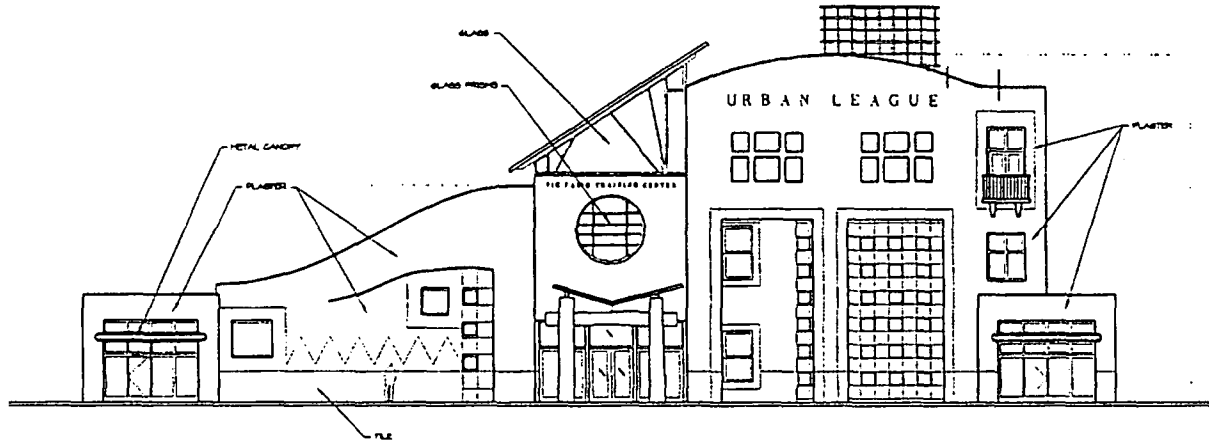
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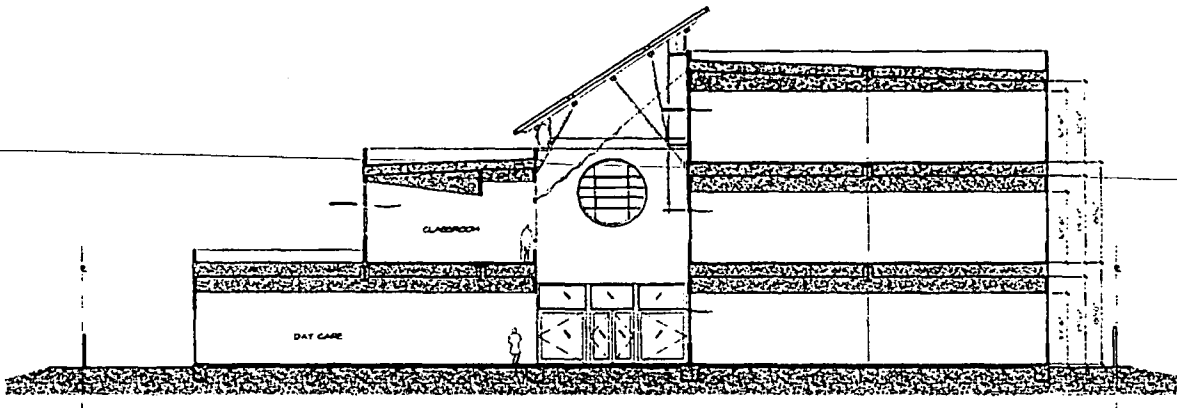
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A-4

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● EAST ELEVATION  
SCALE: 1/8"=1'



● SECTION LOOKING WEST  
SCALE: 1/8"=1'

ARCHITECT



HOGAVERO  
NOTESTINE  
ASSOCIATES

2000 S. BRIDGE  
SACRAMENTO  
CA 95814  
916.442.8844  
916.442.7888

CONSULTANT

PROJECT NUMBER

88072  
PROJECT

GREATER  
SACRAMENTO  
URBAN LEAGUE  
WORKFORCE  
TRAINING CENTER

SHEET TITLE

ELEVATION  
&  
SECTION

DATE

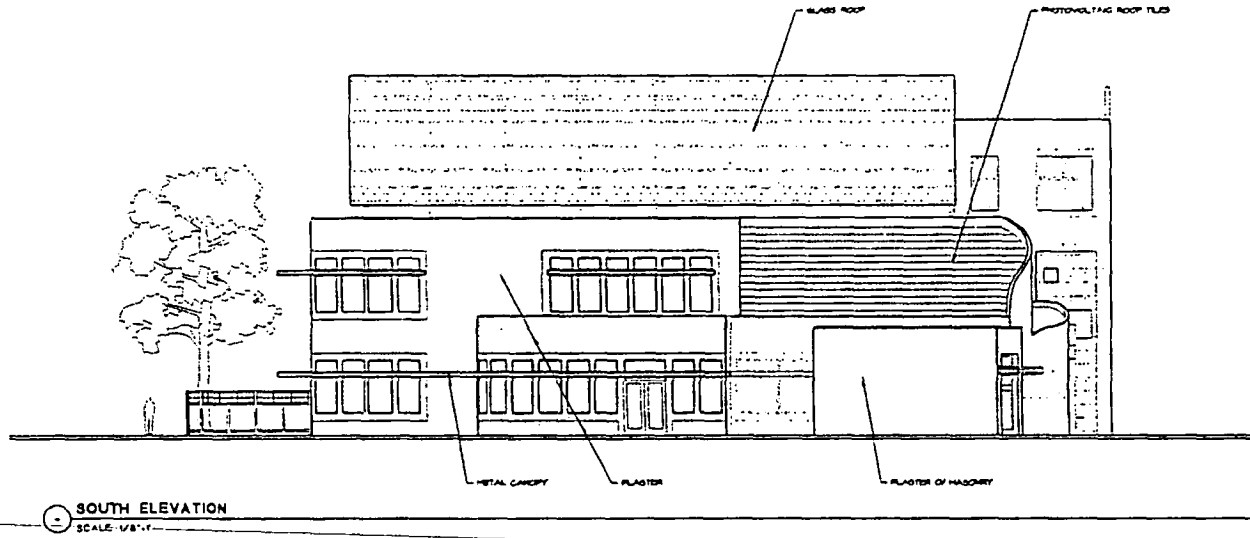
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DESIGNER

DRAWN

(11)

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SOUTH ELEVATION  
SCALE: 1/8"=1'-0"

ARCHITECT  
PROGRAM



MOGAVERO  
NOTESTINE  
ASSOCIATES

1000 E. STREET  
EAST SACRAMENTO  
CA 95833  
TEL: 916.442.1000  
FAX: 916.442.1000

CONTRACT NO.

PROJECT NUMBER

88072  
PROJECT

GREATER  
SACRAMENTO  
URBAN LEAGUE

WORKFORCE  
TRAINING CENTER

SHEET TITLE

ELEVATION

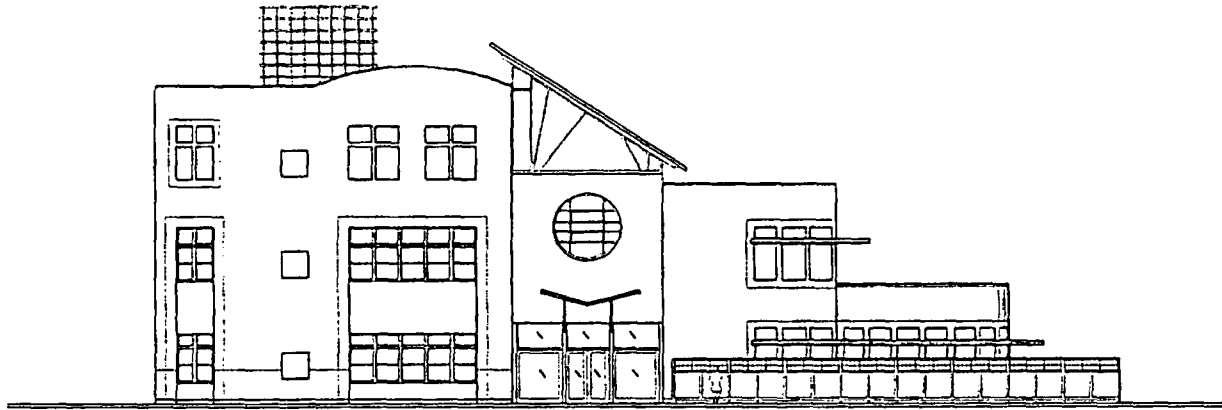
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3/2/99

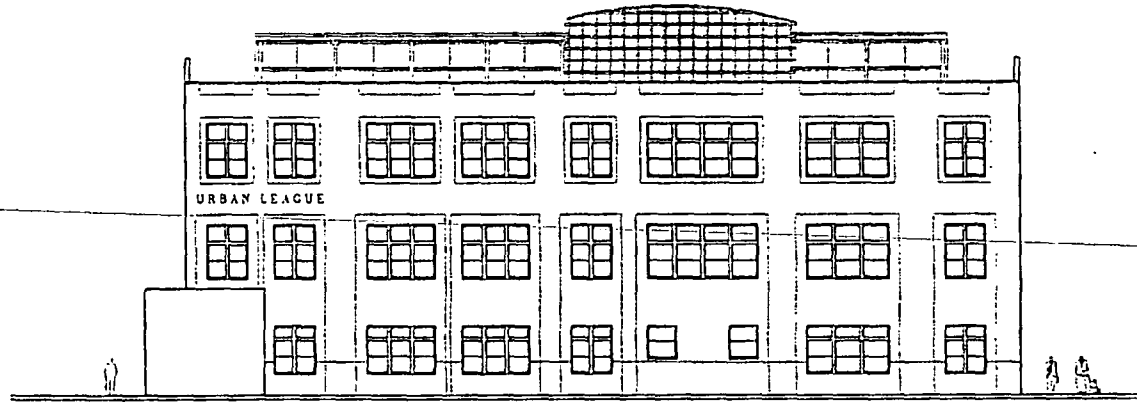
DESIGNER

SCALE

A-6



WEST ELEVATION  
SCALE 1/8"=1'-0"



NORTH ELEVATION  
SCALE 1/8"=1'-0"

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\*\*\*\*\*



HOGAN ROY  
NOTESTINE  
ASSOCIATES

1111  
1111  
1111  
1111  
1111  
1111

CONSULTANT

Project No.

98072

Project

GREATER  
SACRAMENTO  
URBAN LEAGUE

WORKFORCE  
TRAINING CENTER

Sheet Title

ELEVATIONS

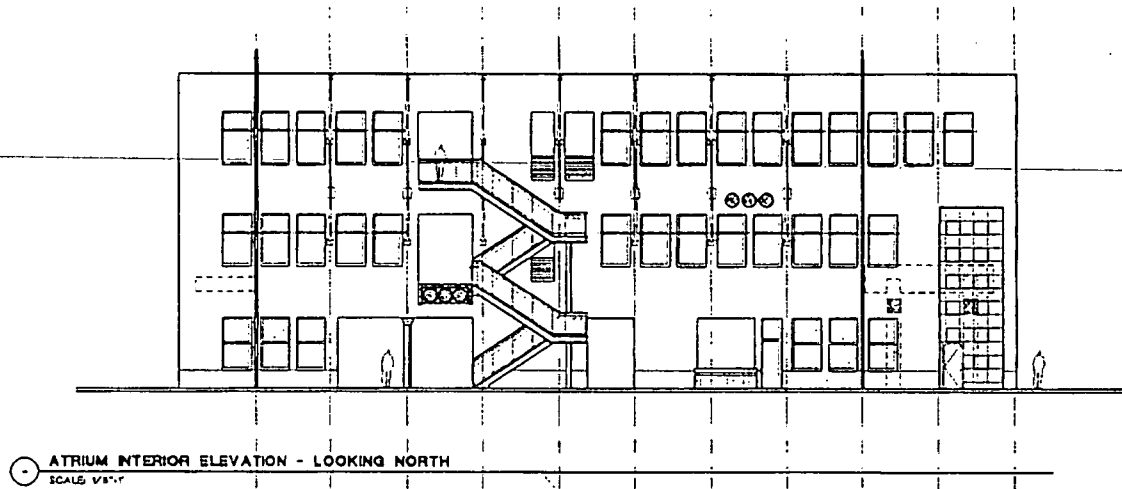
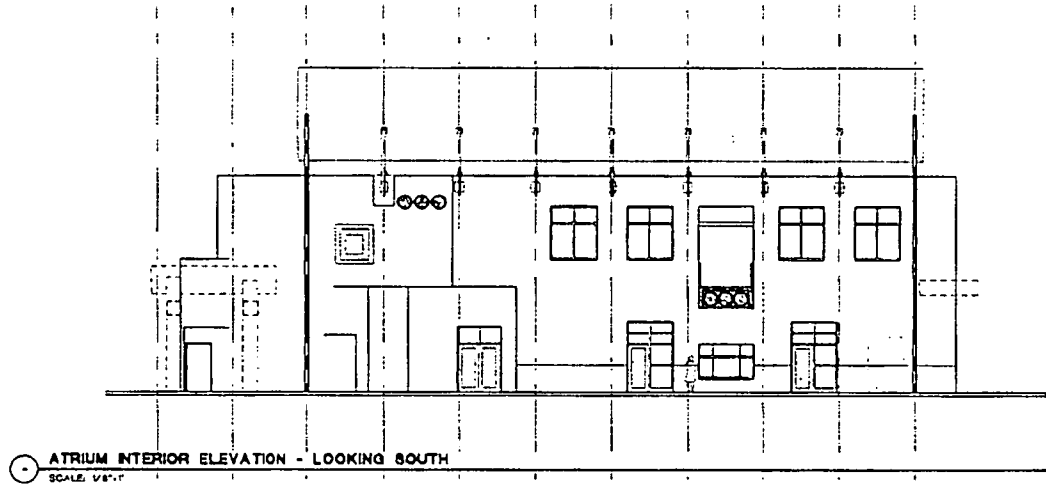
Date

3/2/99

Drawn

Check

A-7



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\*\*\*\*\*



HOGARTY  
NOTETAKING  
ASSOCIATES

1988  
1989  
1990  
1991  
1992  
1993

CONCEPT

PROJECT NUMBER

98072

PROJECT

**GREATER  
SACRAMENTO  
URBAN LEAGUE  
WORKFORCE  
TRAINING CENTER**

DATE

**ATRIUM  
ELEVATIONS**

DATE

3/2/99

REVISIONS

DATE

A-8



**Predevelopment Agreement**

*DEL PASO HEIGHTS REDEVELOPMENT PROJECT*

*GREATER SACRAMENTO URBAN LEAGUE*

*WORKFORCE DEVELOPMENT CENTER*

A Project of  
REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO  
and  
THE GREATER SACRAMENTO URBAN LEAGUE

## PREDEVELOPMENT AGREEMENT

THIS PREDEVELOPMENT AGREEMENT ("PDA") is entered into as of \_\_\_\_\_, 1999, by and between the REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO ("Agency") and GREATER SACRAMENTO URBAN LEAGUE ("Developer"), who agree as follows:

1. Recitals. This PDA is based upon the following recitals, facts and understandings of the parties:

1.1. Developer and Property. Developer has proposed to redevelop certain real property ("Property") located in the City of Sacramento, County of Sacramento, State of California and owned by Agency. The Property consists of a parcel commonly known as 3725-3737 Marysville Boulevard, and consists of both commercial and residential space.

1.2. Disposition and Development Agreement. Agency desires that the Property be developed as a neighborhood center (the Project) and maintained in a manner which benefits the surrounding community, and has agreed to pay certain predevelopment costs in anticipation of the proposed redevelopment of the Property. Agency is considering additional investment in the Project in the form of payment of a portion of the costs of construction of the Project and contribution of the Property, on certain terms and conditions. Such terms and conditions are set out in the Disposition and Development Agreement ("DDA") to be negotiated and executed by Agency and Developer pursuant to this PDA.

1.3. Purpose of PDA. The purpose of this PDA is to state the agreement of Agency and Developer to the form of the potential DDA; their agreement for performance of, and payment for, architectural services and certain other predevelopment work; and their agreement to undertake certain obligations prior to any execution of the DDA if approved.

1.4. Benefit. Agency represents, and Developer agrees, that the development of the Property, the completion of the Project and the fulfillment generally of this PDA are for the purpose of community improvement and welfare and in accord with the public purposes and provisions of any applicable federal, state and local laws and requirements under which the Project is to be undertaken.

2. Identity of Parties.

2.1. Developer. Developer is Greater Sacramento Urban League, a California nonprofit public benefit corporation. The principal office of Developer is located at 4900 Broadway, Suite 1600, Sacramento, California 95820.



Except as provided in this PDA, no additional persons or entities may become general partners or limited partners of Developer with respect to the project during the term of this PDA without the prior written approval of Agency, which approval shall not be unreasonably withheld or delayed.

2.2. Agency. Agency is the Redevelopment Agency of the City of Sacramento, a public body, corporate and politic, organized and functioning within the jurisdiction of County of Sacramento pursuant to the Redevelopment Law of the State of California. The principal office of Agency is located at 630 I Street, Sacramento, CA 95814. Agency includes any successor to the jurisdiction and operation of Agency with regard to the Project Area.

2.3. Notices. Notices to the parties under this PDA shall be personally delivered at, or sent by first class mail to, the respective addresses set forth in Section 2. Notices to Agency shall be clearly marked to the attention of the Executive Director, with a copy to the Legal Department.

3. Term. The effective date of this PDA shall be the date of the Agency resolution approving its execution, which date shall be inserted on the first page of this PDA (the "Effective Date"). The period covered by this PDA shall commence on the Effective Date and shall terminate upon complete execution of the DDA or 150 days from the date of this PDA, whichever first occurs.

4. Obligations of Parties Related to Predevelopment Work.

4.1 Developer's Obligations. Developer shall obtain all of the following work and deliver to Agency all reports, drawings or other materials produced as part of the work within 120 days after the date of the PDA:

4.1.1 Architectural and Engineering Services. Developer shall obtain such drawings, sketches renderings and other representations of the proposed Project as are reasonably necessary for presentation of the proposed Project to community groups and governmental entities for approvals and for fund raising purposes. Developer shall also obtain preparation of a detailed scope of work and complete construction drawings, and engineering services necessary for the preparation thereof, for construction of the Project as will be provided in the DDA. Developer shall coordinate the architect's work with staff of Agency's Construction Management Division to ensure consistency with the DDA.

4.1.2 Governmental Approvals. Developer shall obtain all governmental approvals and entitlements necessary for the Project, including but not limited to design review approval and the special permit. Developer shall attend and participate in all public meetings required in connection with the City of

Sacramento planning or permitting processes and with City or Agency review and approvals.

4.1.3 Environmental Documentation. Developer shall be responsible for completion of all environmental documentation necessary for compliance with the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA). Such documentation may be prepared independently by Agency or by the City of Sacramento, in which case Developer shall be permitted to utilize such documentation, but shall not be relieved of the responsibility for its completion.

4.2 Agency's Obligations. Agency shall pay for the actual costs of the work described in Section 4.1, but not to exceed the total sum of \$138,500. In no event shall Agency be obligated to pay more than a total of \$138,500 for all predevelopment work relating to the Property.

4.2.1 Payment Procedure. Agency shall disburse payment upon receipt and approval of original invoices for completed work, but not more frequently than once per month. Agency retains the right to approve or disapprove invoices for payment upon Agency's reasonable determination whether the invoiced work was performed in accordance with this PDA. If Developer presents proper invoices together with evidence, satisfactory to Agency, that Developer has paid the invoices, Agency shall disburse funds directly to Developer. If Developer presents invoices not yet paid by Developer, any payment to be made by Agency shall be paid jointly to Developer and the service provider.

4.3 Third Parties. This PDA and the DDA shall not operate to make the Agency liable for payment of any sums to any parties other than Developer; the PDA and the DDA are not executed for the benefit of any third parties.

4.4 Ownership of Work. All work product created under this PDA shall be and remain the property of the Agency. Upon issuance of a Certificate of Completion under the DDA, and if requested by Developer, Agency may, at its option, deliver ownership and possession of the work product to Developer.

## 5. Disposition and Development Agreement.

Agency and Developer have not yet agreed upon all of the terms of development of the Property. Such terms will be set out in the DDA between Agency and Developer. Terms may include but are not limited to the following provisions:

- a. Use covenants recorded against the land.
- b. Payment and performance bonds.

- c. Comprehensive liability insurance.
- d. Anti-discrimination provisions.
- e. Consultation with Agency's Labor Compliance division.
- f. Performance deposit.
- g. Agreement that Agency is not responsible for presence of hazardous substances.
- h. Extension fees for delay in commencement or completion of construction.
- i. Liquidated damages.
- j. Job training.
- k. Errors and omissions insurance for architects and engineers.
- l. Limitation on transfers prior to completion.
- m. Compliance with CEQA process and mitigation.
- n. Compliance with NEPA process and mitigation.
- o. Agency's rights to cure defaults, assume loans and complete construction.
- p. Agency's rights to revestment of the property upon default.
- q. Delayed transfer of title to land.
- r. Workers' compensation insurance.

6. Execution of DDA. If Developer has completed its obligations under Section 4.1 of this PDA and the execution of the DDA is approved, the parties shall execute the DDA as follows:

6.1. By Developer. Within fifteen (15) days after Agency's approval of the work completed under Section 4.1 of this PDA, Developer shall execute and deliver the DDA to Agency.

6.2. By Agency. Within fifteen (15) days after Developer's execution of the DDA and delivery to Agency, Agency shall execute and deliver to Developer the DDA, provided that Agency's execution has been duly authorized and that Developer is not then in default of its obligations under this PDA.

6.3 Challenge: In the event of a legal challenge to the Project for failure to comply with the California Environmental Quality Act, National Environmental Policy Act, or other applicable environmental law or regulation, either party may, without penalty, elect to delay execution of the DDA until a court has taken final action regarding such challenge.

7. Developer Default. If Developer shall fail to complete its obligations under Section 4.1 as required or fail to execute the DDA as and when required, Developer shall be in material default under this PDA unless such failure by Developer is a result of Agency's failure to perform its obligations under the PDA or as a result of Unavoidable Delays as defined in the DDA. In the event of a default of Developer, Agency may, at its election, notify Developer of its intent to terminate this PDA by giving written notice of such termination to Developer. If Developer does not cure such default within five (5) calendar days (or if the cure cannot be accomplished within five (5) days, if Developer does not commence the cure within five (5) calendar days and diligently prosecute the cure), then Agency may terminate this PDA by written notice to Developer.

8. Miscellaneous Provisions.

8.1. Developer Costs. Developer shall bear all costs relating to actions of Developer under this PDA, except as specifically provided in this PDA.

8.2. Applicable Law; Venue. This PDA shall be construed in accordance with the laws of the State of California, and venue for any action under this PDA shall be in Sacramento County, California.

8.3. Time of Essence. Time is of the essence in the performance of the respective obligations of the parties under this PDA.

8.4. Attorneys' Fees. In the event of any dispute between the Parties, whether or not such dispute results in litigation, the prevailing party shall be reimbursed by the other party for all reasonable costs and expenses, including, without limitation, reasonable attorneys' fees.

8.5. Entire Agreement. This PDA, being the entire agreement of the parties, consists of this document together with Exhibit 1, which is attached to and incorporated in this PDA by this reference.

EXECUTED in Sacramento, California.

AGENCY:

REDEVELOPMENT AGENCY OF THE  
CITY OF SACRAMENTO

APPROVED AS TO FORM:

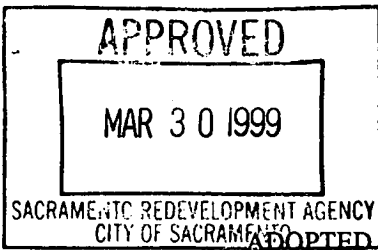
By: \_\_\_\_\_  
ANNE M. MOORE  
Executive Director

\_\_\_\_\_  
Agency Counsel

DEVELOPER:

GREATER SACRAMENTO  
URBAN LEAGUE

By: \_\_\_\_\_  
JAMES SHELBY  
President and Chief Executive Officer



RESOLUTION NO. 99-011

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO  
ON DATE OF \_\_\_\_\_

**APPROVAL OF PREDEVELOPMENT AGREEMENT  
AND PREDEVELOPMENT FUNDING FOR  
THE GREATER SACRAMENTO URBAN LEAGUE WORKFORCE DEVELOPMENT  
CENTER AT 3725-3737 MARYSVILLE BOULEVARD**

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

Section 1: The Executive Director is authorized to execute a Predevelopment Agreement with the Greater Sacramento Urban League for the construction of a Workforce Development Center at 3725-3737 Marysville Boulevard (Project).

Section 2: The Executive Director is authorized to extend funding for predevelopment in the amount of One Hundred Thirty-Eight Thousand Five Hundred Dollars (\$138,500) for the Project.

Section 3: The budget is hereby amended to transfer One Hundred Thirty-Eight Thousand Five Hundred Dollars (\$138,500) from the Del Paso Heights Norm's Liquor Site Acquisition project - to the Greater Sacramento Urban League Project.

Section 4: No additional tax increment funds shall be utilized for this Project without prior approval by this body.

\_\_\_\_\_  
CHAIR

ATTEST:

\_\_\_\_\_  
SECRETARY

**FOR CITY CLERK USE ONLY**

RESOLUTION NO.: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_