



# REPORT TO COUNCIL AND REDEVELOPMENT AGENCY City of Sacramento

915 I Street, Sacramento, CA 95814-2671

Staff Report  
March 25, 2008

Honorable Mayor and Members of the City Council  
Honorable Chair and Members of the Redevelopment Agency

**Title: Construction of Phases I, II, III and IV of the George Sim Community Center Expansion Project (LT51, L13000200) and Allocation of Army Depot Redevelopment Funds**

**Location/Council District:** 6207 Logan Street; Council District 6; Army Depot Redevelopment Project Area

**Recommendation:** **1)** adopt a **City Resolution** a) amending the FY2007/08 Capital Improvement Program (CIP) budget by receiving \$2,252,145 in 2006 Army Depot Tax Exempt Bond funds, \$2,987,488 in 2006 Army Depot Taxable Bond funds and \$5,006,367 in Army Depot Tax Increment funds for the George Sim Community Center Expansion Project (the "Project"); b) authorizing the City Manager or the City Manager's designee to amend the existing Individual Project Agreement (IPA) with the Redevelopment Agency of the City of Sacramento and appropriate \$10,246,000 for construction of the Project Phases I, II, III & IV; c) establishing the guaranteed maximum price (GMP) with Brown Construction for the Project in an amount not to exceed \$15,168,643; d) authorizing the City Manager or the City Manager's designee to execute Change Order No. 1 in an amount not to exceed \$14,227,868 with Brown Construction; e) approving the Mitigated Negative Declaration and Mitigation Monitoring Plan for the Project; and f) making related findings; and **2)** adopt a **Redevelopment Agency Resolution** a) amending the 2008 Redevelopment Agency budget to transfer \$2,252,145 from 2006 Army Depot Tax Exempt Bond funds, \$2,987,488 in 2006 Army Depot Taxable Bond funds and \$5,006,367 in Army Depot Tax Increment funds to the George Sim Community Center Expansion Project; b) authorizing the Interim Executive Director to amend the existing Individual Project Agreement (IPA) with the City of Sacramento to increase the contract amount by \$10,246,000 for construction of the George Sim Community Center Expansion Project Phases I, II, III and IV; and c) making related findings.

**Contact:** Dave Morgan, Associate Architect, Department of General Services, 808-8425; Dave Mitchell, Recreation Manager, Parks and Recreation, 808-6076; Lisa Bates, Deputy Executive Director, Sacramento Housing and Redevelopment Agency, 440-1316; Chris Pahule, Assistant Director, Housing and Community Development, 440-1350

**Presenters:** Dave Mitchell, Recreation Manager, Parks and Recreation, 808-6076; Cynthia Kranc, Facilities Manager, Department of General Services, 808-2258

**Departments:** General Services, Parks and Recreation, and Sacramento Housing and Redevelopment Agency

**Division:** Facilities and Real Property Management

**Organization No:** 3281

**Description/Analysis:**

**Issue:** In 2002 the City's Department of General Services and the Parks and Recreation Department completed a three phased Master Plan for the future expansion of the George Sim Community Center. On February 7, 2006, the City Council approved the 2006 Community Reinvestment Capital Improvement Program (CRCIP) authorizing funding for the George Sim Community Center Master Plan (see Attachments 1 and 3). In December 2006, the City Council approved the design-build approach for the Project and authorized the Department of General Services to proceed with the selection process.

In 2007, the owner of the property located adjacent to the southwest corner of the Park requested the City consider acquisition of their property (see Attachment 4). The City did not have funds available; consequently, the Redevelopment Agency purchased the property in December 2007 and is in the process of transferring it to the City. Due to the additional land available, a plan was developed (Phase IV) which increases access to the Park and will provide a visitor drop off location for the pool.

Currently, the project cost estimate for Phases I, II, III & IV exceeds the project budget of \$7,954,000 and there are insufficient funds to complete construction of the Project. Allocating Army Depot Redevelopment Funds will provide sufficient funding to meet the Guaranteed Maximum Price (GMP) of \$15,168,643 with Brown Construction.

**Policy Considerations:** This project is consistent with the Army Depot Redevelopment Plan to eliminate or ameliorate certain environmental deficiencies, and inadequate or deteriorated public improvements. It is also consistent with the goals and objectives outlined in the Army Depot Implementation Plan (2005-09) to provide first-rate public facilities. This includes making improvements at the George Sim Community Center in order to provide more recreational opportunities to the community and is consistent with City Council's strategic planning focus area of sustainability and livability.

**Environmental Considerations:** The Environmental Services Manager has determined the project, as proposed, will not have a significant impact on the environment; therefore, a Mitigated Negative Declaration has been prepared. In compliance with Section 15070 of the California Environmental Quality Act (CEQA) Guidelines, the applicant has incorporated mandatory mitigation measures into the project plans to avoid identified impacts or to mitigate such impacts to a point where clearly no significant impacts will occur. These mitigation measures address Transportation and Circulation, Hazards, Biological Resources, and Cultural Resources. The mitigation measures are listed in the attached Mitigation Monitoring Plan (Attachment 5). The draft Mitigated Negative Declaration was circulated for a 20-day public review and comment period from January 22, 2008 through February 11, 2008. On February 4, 2008, the public review and comment period was extended to February 25, 2008 to allow for the noticing of more owners/residents and neighborhood groups within the project area and to give the newly-noticed people the full 20 days for noticing as required by Section 15105 of the CEQA Guidelines. On February 12, 2008, the Department of Utilities (DOU) requested that language addressing on-site storm water drainage improvements be added to the MND. Accordingly, the following double underlined text has been added to the environmental document on page 55.

*“The City of Sacramento Design and Procedures Manual and Improvement Standards state that generally no more than 6,000 square feet will be allowed to sheet drain over a public sidewalk. Any drainage over 6,000 square feet must be collected through on-site surface drains and directed and connected to a storm drainage system. Therefore, installation of new parking improvements will be required to provide on site drainage. The on-site storm water drainage improvements shall be to the satisfaction of the DOU and system compliance with City Public Works standards would reduce storm drain impacts to a *less-than-significant level.*”*

No comment letters were received during the public review and comment period.

The Mitigated Negative Declaration and the Mitigation Monitoring Plan are adequate for purposes of the Redevelopment Agency action contemplated by this staff report and are being approved and adopted by the Redevelopment Agency as a responsible agency.

**Committee/Commission Action:** *Army Depot Redevelopment Advisory Committee (RAC):* At its meeting on February 28, 2008, the RAC unanimously recommended allocation of Army Depot Redevelopment Funds for construction of Phases I, II and IV. At its meeting on March 17, 2008, the RAC considered and recommended allocation of Army Depot Redevelopment Funds for construction of Phase III. The votes were as follows:

AYES: Hubbard, Lenau, Lien, Stein, Toney

NOES: Pinkston, Slider,

ABSTAIN: None

ABSENT: O'Brien, Vourakis

*Sacramento Housing and Redevelopment Commission (SHRC):* At its meeting on March 5, 2008, the SHRC unanimously recommended allocation of Army Depot Redevelopment Funds for construction of Phases I, II and IV. Commissioners Dean and Shaw were absent and not present for the vote. At its meeting on March 19, 2008, the SHRC considered the Army Depot RAC recommendation to allocate Army Depot Redevelopment Funds for construction of Phase III. The votes were as follows:

AYES: Burruss, Chan, Coriano, Fowler, Gore, Morgan, Shaw

NOES: Dean

ABSTAIN: None

ABSENT: Stivers

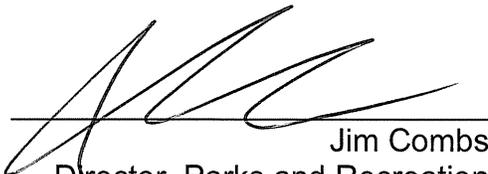
**Rationale for Recommendation:** The Project was approved by City Council on February 7, 2006 as part of the CRCIP. Transferring funds and authorization of construction is consistent with goals and objectives of the CRCIP. The George Sim Community Center is the only public recreational community center in the southeast area of the City and provides many programs and services aimed at low income residents; however, because of its space limitation, age and wear and tear, usage is limited and enrollment is capped for many of the children and teen programs. The Project will benefit the Redevelopment Project Area by eliminating blighting conditions and ameliorating inadequate or deteriorated public improvements to deliver first-rate public facilities which are critical towards attracting new development and reinvestment. It will also improve public recreational and educational opportunities to increase the quality of life for existing and future residents.

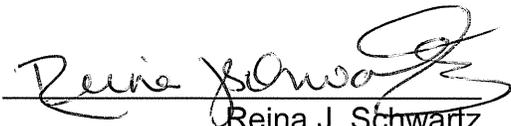
**Financial Considerations:** There are no City of Sacramento funds that are now reasonably available to provide additional funding for full construction of the Project Phases I, II, III and IV. Completion of the Project is also necessary to maintain existing funding commitments for bonds issued under the CRCIP. Receiving \$2,252,145 in 2006 Army Depot Tax Exempt Bond Funds, \$2,987,488 in 2006 Army Depot Taxable Bond funds and \$5,006,367 in Army Depot Tax Increment funds will increase the

Project budget to \$18,200,000 and provide sufficient funding to approve Change Order No. 1 with Brown Construction for the Project in an amount not to exceed \$14,227,868.

**Emerging Small Business Development (ESBD):** The selection of the contractor for this project followed City established guidelines for inclusion of ESBD firms. The contractor has committed to achieving the 20% ESBD participation required.

Respectfully Submitted by:   
Cynthia Kranc  
Facilities Manager

Approved by:   
Jim Combs  
Director, Parks and Recreation

Approved by:   
Reina J. Schwartz  
Director, Department of General Services

Approved by:   
La Shelle Dozier  
Interim Executive Director

Recommendation Approved:

  
Ray Kerridge  
City Manager

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**Background Information**

**Attachment 1**

2002 - The City's Department of General Services and the Parks and Recreation Department completed a preliminary Master Plan for the future expansion of the George Sim Community Center with local resident input. The process resulted in the identification of program space needs and development of preliminary site plans for the proposed expansion project based on a three phase implementation approach including: doubling the size of the Center with a 10,500 square foot addition (Phase I), rehabilitation and upgrade of the existing Center (Phase II), and construction of a new gymnasium/theater, commercial kitchen, outdoor performance stage and pool equipment room (Phase III).

2003 - The Parks and Recreation Department applied for a grant through the State's Murray-Hayden Program for funding of design and construction documents; however, the State did not award funding to the Project.

2005 - The Army Depot Redevelopment Advisory Committee (RAC) allocated \$350,000 Tax Increment funds to complete design and construction documents for the expansion.

February 7, 2006 - City Council approved the CRCIP, which included a \$6.5 million budget for Phases I and II of the Project.

December 12, 2006 - City Council approved the design-build approach for the Project and authorized the Department of General Services to proceed with the selection process.

March 13, 2007 - The Department of General Services posted a Request for Qualifications (RFQ) for design-build services on the City's internet site. Four submittals were received and deemed responsive.

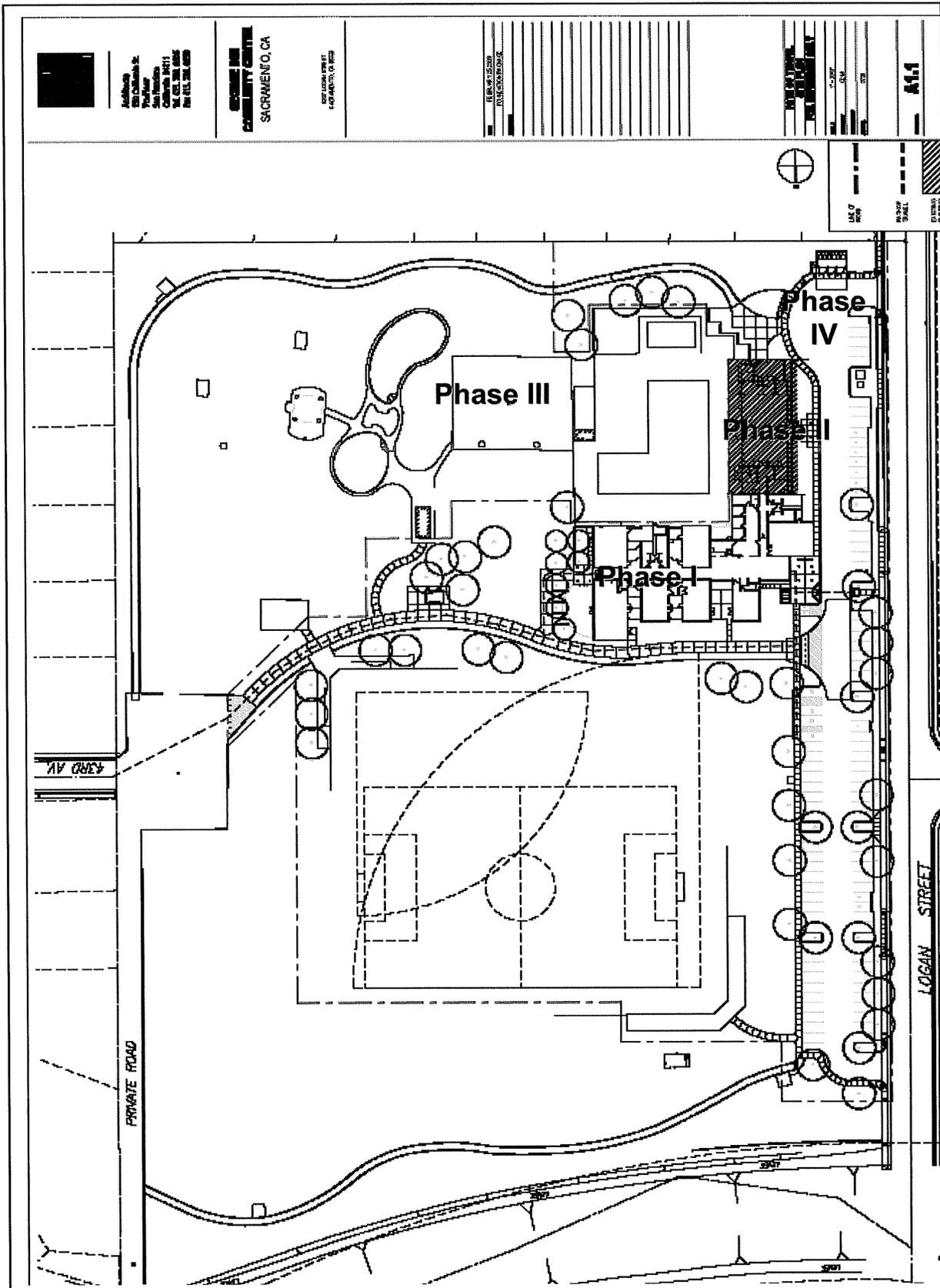
May 8, 2007 - The selection committee chose Brown Construction as the most qualified design-build team to complete the work.

July 31, 2007 - Council adopted Resolution No. 2007-568 authorizing the City Manager or the City Manager's designee to execute a design build contract with Brown Construction for the Project in the amount of \$941,000 for design services associated with the project.

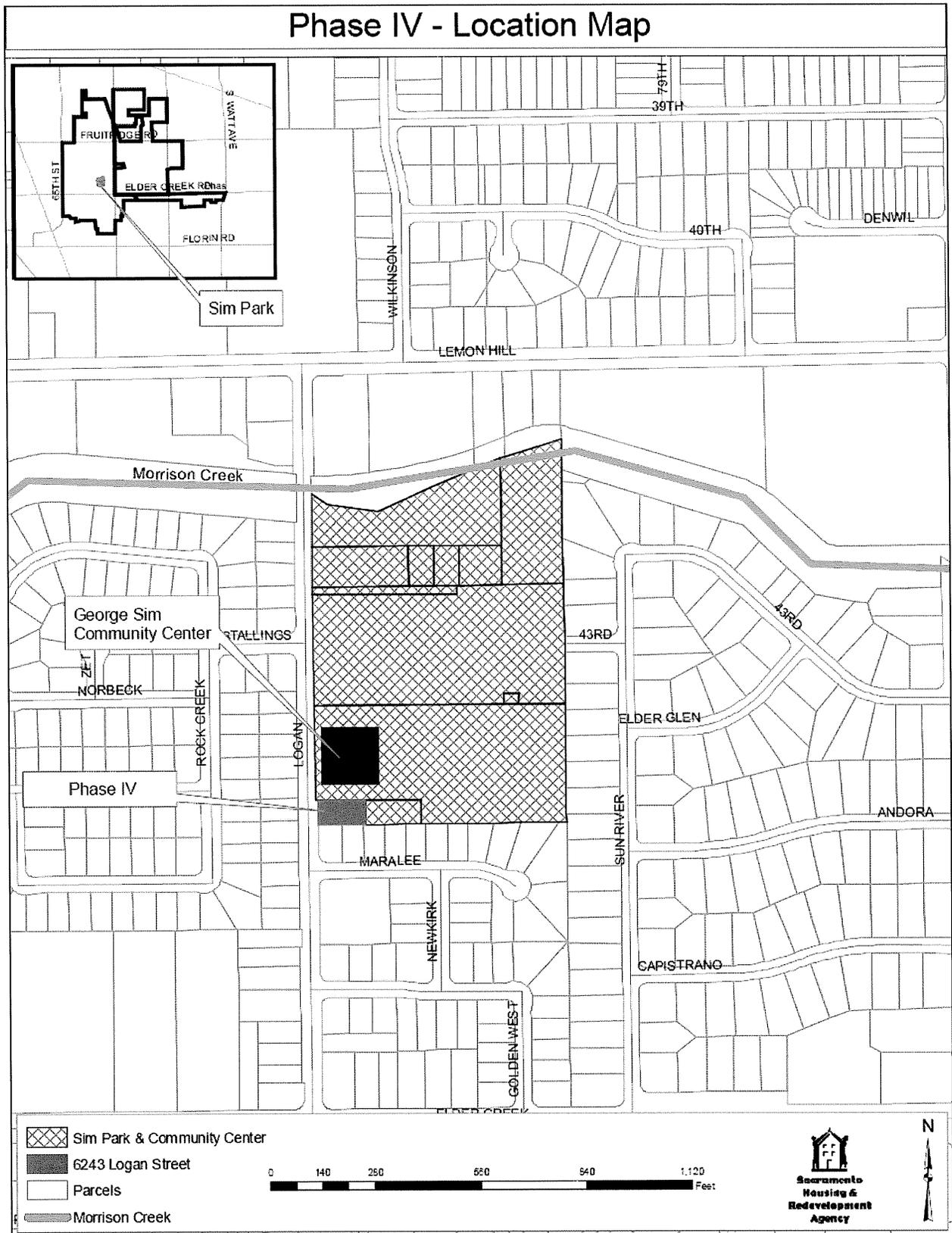
December 4, 2007 - Council adopted Resolution No. 2007-883 authorizing a transfer of \$975,000 from the CRCIP Bond into the Project increasing the construction budget to \$7,954,000. Staff was directed to return to City Council upon completion of design services for authorization to proceed with the construction aspect of the design-build contract.

December 2007 – The Redevelopment Agency purchased 6243 Logan Street to be added to Sim Park, consequently, Phase IV was added to the Project. A plan was developed which increases access to the Park and provides a visitor drop off location for the pool.





Attachment 4



**Attachment 5**

**Mitigated Negative Declaration**

**ON FILE IN THE OFFICE OF THE CITY CLERK**

**AND AT**

**[http://www.cityofsacramento.org/webtech/streaming\\_video/live\\_council\\_meetings.htm](http://www.cityofsacramento.org/webtech/streaming_video/live_council_meetings.htm)**

**RESOLUTION NO. 2008-xxxx \_\_\_\_\_**

**Adopted by the Sacramento City Council**

**March 25, 2008**

**APPROVE BUDGET AMENDMENTS FOR THE GEORGE SIM COMMUNITY CENTER EXPANSION PROJECT (LT51, L13000200); AUTHORIZE AMENDING THE EXISTING INDIVIDUAL PROJECT AGREEMENT WITH THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO; APPROVE CHANGE ORDER NO. 1 ESTABLISHING THE GUARANTEED MAXIMUM PRICE (GMP) WITH BROWN CONSTRUCTION FOR THE PROJECT; APPROVE THE MITIGATED NEGATIVE DECLARATION AND MITIGATION MONITORING PLAN FOR THE PROJECT: AND MAKE RELATED FINDINGS**

**BACKGROUND**

- A. The George Sim Community Center Expansion project (the "Project") is consistent with the Army Depot Redevelopment Plan to eliminate or ameliorate certain environmental deficiencies, inadequate or deteriorated public improvements. It is also consistent with the goals and objectives outlined in the Army Depot Implementation Plan (2005-09) to provide first-rate public facilities which includes making improvements at the George Sim Community Center in order to provide more recreational opportunities to the community and is consistent with City Council's strategic planning focus area of sustainability and livability.
- B. The City of Sacramento has determined it has no additional funding to complete construction of the George Sim Community Center Expansion Project Phases I, II, III and IV.
- C. The Environmental Services Manager has determined the project, as proposed, will not have a significant impact on the environment; therefore, a Mitigated Negative Declaration has been prepared. In compliance with Section 15070 of the California Environmental Quality Act Guidelines, the applicant has incorporated mandatory mitigation measures into the project plans to avoid identified impacts or to mitigate such impacts to a point where clearly no significant impacts will occur. These mitigation measures address Transportation and Circulation, Hazards, Biological Resources, and Cultural Resources. The mitigation measures are listed in the attached Mitigation Monitoring Plan (Attachment 1). The draft Mitigated Negative Declaration was circulated for a 20-day public review and comment period from January 22, 2008 through February 11, 2008. On February 4, 2008, the public review and comment period was

extended to February 25, 2008 to allow for the noticing of more owners/residents and neighborhood groups within the project area and to give the newly-noticed people the full 20 days for noticing as required by Section 15105 of the CEQA Guidelines. No comment letters were received during the public review and comment period.

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

- Section 1. The receipt of \$2,252,145 in 2006 Army Depot Tax Exempt Bond funds, \$2,987,488 in 2006 Army Depot Taxable Bond funds, and \$5,006,367 in Army Depot Tax Increment funds to the Project (LT51, L13000200) is approved.
- Section 2. The City Manager or the City Manager's designee is authorized to amend the existing Individual Project Agreement (IPA) with the Redevelopment Agency of the City of Sacramento in the amount of \$10,246,000 for construction of the Project Phases I, II, III and IV.
- Section 3. Establishing the guaranteed maximum price with Brown Construction for the Project in an amount not to exceed \$15,168,643 is approved.
- Section 4. The City Manager or City Manager's designee is authorized to execute Change Order No. 1 in an amount not to exceed \$14,227,868 with Brown Construction.
- Section 5. The Mitigated Negative Declaration and Mitigation Monitoring Plan for the Project are approved.
- Section 6. Pursuant to Section 33445 of the Health and Safety Code of the State of California (California Redevelopment Law), the City Council makes the following findings:
- a) The Project will benefit the Redevelopment Project Area by eliminating blighting conditions and ameliorating certain environmental deficiencies, inadequate or deteriorated public improvements to deliver first-rate public facilities which are critical towards attracting new development to the area and will improve public recreational and educational opportunities to increase the quality of life for existing and future residents.
  - b) There are no other reasonable means of fully financing the project available to the community.
  - c) The payment of the cost for the Project is consistent with Army Depot Five-Year Implementation Plan (2005-2009) which includes making Community Facilities/Park Improvements at the George Sim Community Center in order to provide more recreational opportunities to the community.

**RESOLUTION NO. 2008- \_\_\_\_\_**

**Adopted by the Redevelopment Agency of the City of Sacramento**

on date of

**ALLOCATION OF ARMY DEPOT REDEVELOPMENT FUNDS FOR THE  
CONSTRUCTION OF THE GEORGE SIM COMMUNITY CENTER EXPANSION  
PROJECT PHASE I, II, III AND IV; RELATED BUDGET AMENDMENT;  
AUTHORIZATION TO AMEND EXISTING INDIVIDUAL PROJECT AGREEMENT  
WITH THE CITY OF SACRAMENTO; RELATED FINDINGS**

**BACKGROUND**

- A. This project is consistent with the Army Depot Redevelopment Plan in that it will assist in the elimination of certain blighting conditions, including inadequate and deteriorated public improvements. It is also consistent with the goals and objectives outlined in the Army Depot Implementation Plan (2005-09) to provide first-rate public facilities which include the making of improvements at the George Sim Community Center in order to update and improve the facility and to provide more recreational opportunities to the community and is consistent with the City's Strategic Plan goals to enhance and preserve the neighborhoods.
- B. The City of Sacramento has no additional funds which are reasonably available to complete construction of the George Sim Community Center Expansion Project Phases I, II, III and IV.
- C. The Agency considers it desirable to provide \$2,252,145 in 2006 Army Depot Tax Exempt Bond Funds, \$2,987,488 in 2006 Army Depot Taxable Bond funds and \$5,006,367 in Army Depot Tax Increment funds for the construction of the George Sim Community Center Expansion Project Phase I, II, III and IV, which will provide the funding the City has determined it does not currently have.
- D. The City of Sacramento as the lead agency under the California Environmental Quality Act (CEQA) has prepared a Negative Declaration and Mitigation Monitoring Plan (Mitigated Negative Declaration) for the George Sim Park Master Plan and Community Center Expansion Project ("Mitigated Negative Declaration"). The Agency as responsible agency has reviewed and considered the City's environmental action. The National Environmental Policy Act does not apply.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO 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. It is determined that the Mitigated Negative Declaration is adequate for all purposes of the Agency related to the action contained in this resolution and hereby approves and adopts the Mitigated Negative Declaration.
- Section 2. Pursuant to Section 33445 of the Health and Safety Code of the State of California (California Redevelopment Law), the Agency makes the following findings:
- a) The Project will benefit the Redevelopment Project Area by eliminating blighting conditions specifically including inadequate and deteriorated public improvements to deliver first-rate public facilities which are critical towards attracting new development to the area and will improve public recreational and educational opportunities to increase the quality of life for existing and future residents.
  - b) There are no other reasonable means of fully financing the project available to the community.
  - c) The payment of the cost for the Project is consistent with Army Depot Five-Year Implementation Plan (2005-2009) which includes making Community Facilities/Park Improvements at the George Sim Community Center in order to provide more recreational opportunities to the community.
- Section 3. The Interim Executive Director is authorized to amend the 2008 Agency Budget to transfer \$2,252,145 from 2006 Army Depot Tax Exempt Bond funds, \$2,987,488 in 2006 Army Depot Taxable Bond funds and \$5,006,367 in Army Depot Tax Increment funds to the George Sim Community Expansion Project for construction of Phases I, II, III and IV.
- Section 4. The Interim Executive Director is authorized to amend the existing Individual Project Agreement (IPA) with the City of Sacramento, to increase the contract amount by \$10,246,000 for construction of the George Sim Community Center Expansion Project Phases I, II, III and IV.