



**Report to Redevelopment Agency
City of Sacramento**
915 I Street, Sacramento, CA 95814-2671
www.CityofSacramento.org

Consent
December 7, 2010

Honorable Chair and Members of the Redevelopment Agency

Title: Power Inn Road Street Enhancement Project (T15078000)

Location/Council District: Power Inn Road between 21st Avenue and Fruitridge Road;
Council District 6

Recommendation: Adopt a **Redevelopment Agency Resolution** a) amending the 2010 Sacramento Housing and Redevelopment Agency budget by appropriating \$282,000 in Army Depot Tax Increment funds to construct the Power Inn Road Street Enhancement Project (T15078000); b) authorizing the Executive Director, or her designee, to execute an Individual Project Agreement with the City of Sacramento to construct the Project; and c) make related findings.

Contact: Chris Pahule, Assistant Director, 440-1350; La Shelle Dozier, Executive Director, 440-1319

Presenters: None

Department: Sacramento Housing and Redevelopment Agency

Description/Analysis

Issue: Power Inn Road is the primary north-south corridor serving the industrial, commercial and residential districts in the Army Depot and 65th Street Redevelopment Project Areas. The Union Pacific Railroad (UPRR) diagonally intersects Power Inn Road between 21st Avenue and Fruitridge Road creating an approximately half mile segment along Power Inn Road that suffers from overgrown weeds and illegal dumping. The result is visual blight which negatively impacts businesses and development in the area. The proposed Power Inn Road Street Enhancement Project (Project) includes landscaping an 18,000 square foot area, constructing 5,569 square feet of hardscape improvements and installing an irrigation system within City right-of-way and easements though UPRR property on Power Inn Road in both the Army Depot and 65th Street Redevelopment Project Areas (see attachment 1 – Map). In January 2009, the Redevelopment Agency approved \$118,000 in funding to prepare construction design documents and UPRR coordination activities. The construction documents are complete and the Department of Transportation

Power Inn Road Street Enhancement Project

has initiated the bidding process. The City and the 65th Street Redevelopment Project Area have insufficient funding available to construct the Project; therefore, this report recommends funding the Project entirely with Army Depot Redevelopment Area funds.

Policy Considerations: The Project is consistent with the Army Depot Redevelopment Plan (Plan) to install and construct public improvements (within or outside the Project Area) necessary to carry out the Plan goals of eliminating and preventing the spread of blight and deterioration in the Project Area. It is also consistent with the goals and objectives outlined in the Army Depot Implementation Plan (2009-2014), specifically the Power Inn Road Street Enhancement at Union Pacific Railroad Crossings Project, to improve public infrastructure which is critical toward attracting new and retaining existing development.

Environmental Considerations:

California Environmental Quality Act (CEQA): The Power inn Road Streetscape Project was analyzed by the City of Sacramento in accordance with CEQA Guidelines and a Categorical Exemption was prepared pursuant to CEQA Guidelines §§ 15301, and was executed on June 29, 2010. The proposed actions do not constitute a new project or substantive changes or modifications to the project as previously analyzed. Because there is neither any new information of substantial importance nor any substantial changes with respect to the circumstances under which the project will be undertaken that would require preparation of supplemental environmental documentation, the recommended actions do not require further environmental review per CEQA Guidelines §§ 15162 or 15163.

Sustainability Considerations: The recommended actions would achieve the City's Sustainability Master Plan focus on urban design, land use, green building and transportation within the City by promoting walking and biking, reducing dependence on the private automobile, increasing access to public transit and promoting transit supportive land uses.

Other: There is no federal funding associated with these actions; therefore, the National Environmental Policy Act (NEPA) does not apply.

Committee/Commission Action: *Army Depot Redevelopment Advisory Committee (RAC):* At the meeting on October 28, 2010, the RAC considered the staff recommendation for this item. The votes were as followed:

AYES: Barney, Coburn, Narayan, Pinkston, Portillo, Stein

NOES: None

ABSENT: Mayberry, O'Brien

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Sacramento Housing and Redevelopment Commission: At its meeting on November 3, 2010, the Sacramento Housing and Redevelopment Commission considered the staff recommendation for this item. The votes were as follows:

AYES: Burruss, Chan, Fowler, Gore, Johnson, Morgan, Morton, Rosa, Otto, Shah, Stivers

NOES: None

ABSENT: None

Rationale for Recommendation: Power Inn Road from 21st Avenue to Fruitridge Road is a gateway to the Army Depot and 65th Street Redevelopment Project Areas. The proposed Project will promote economic development and enhance the aesthetics and vibrancy along Power Inn Road. It will dramatically improve a physically blighted area and assist in retaining and attracting private investment in the City-designated "Clean Tech Zone" which aims to cultivate growth of clean technology and green energy industries. This Project is also a high priority for the Power Inn Alliance business association as evidenced by their commitment to maintain the improvements should the project be constructed.

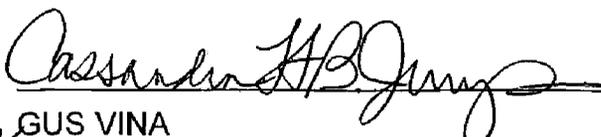
Financial Considerations: This report recommends allocation of \$282,000 in Army Depot Tax Increment funds to construct the Project. There are no City of Sacramento or 65th Street Redevelopment Project Area funds readily available to construct the proposed improvements.

M/WBE Considerations: The item discussed in this report has no M/WBE impact; therefore, M/WBE considerations do not apply.

Respectfully Submitted by:


LA SHELLE DOZIER
Executive Director

Recommendation Approved:


GUS VINA
Interim City Manager

Approved as to form:

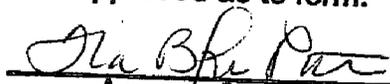

Agency Counsel

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APPROVED AS TO FORM:

NA
CITY ATTORNEY



Background

The Power Inn Road Street Enhancement Project (Project) is located on Power Inn Road and the Union Pacific Railroad tracks between 21st Avenue and Fruitridge Road which is highly visible and not landscaped. The area is frequently overgrown with weeds and continues to have issues with illegal dumping, creating a blighting situation. This area is a gateway to the Army Depot and 65th Street Redevelopment Project Areas and the visual appearance influences the public perception of the larger area.

This project is located in both the Army Depot (59%) and 65th Street (41%) Redevelopment Project Areas. The proposed improvements include landscaping a blighted 18,000 square foot area, constructing 5,569 square feet of hardscape and installing an irrigation system within City right of way and easements through UPRR property on both sides of the street.

In 2006 the Power Inn Alliance, formerly the Power Inn Business and Transportation Association, identified this area as needing improvements and proposed the project to the Army Depot Redevelopment Advisory Committee with a commitment to maintain the improvements once installed.

In January 2007, the Redevelopment Agency approved by resolution \$45,000 in Army Depot Redevelopment funds for initial designs and cost estimates for the Project. In January 2009, the Redevelopment Agency approved an additional \$118,000 for final design and coordination with Union Pacific Railroad. The sources of the \$118,000 were \$48,380 from the 65th Street Redevelopment Project Area and \$69,620 from the Army Depot Redevelopment Project Area. Using those funds, final design and construction plans were completed in April 2010.

The improvements will be publicly owned and are partially located in both the Army Depot and 65th Street Redevelopment Project Areas. The improvements will remove blight and are consistent with Army Depot Implementation Plan. The 65th Street Redevelopment Project Area has insufficient funds to pay for their portion of the improvements. The proposed allocation of Army Depot Redevelopment Project Area funds is consistent with California Health and Safety Code Section 33445 amended by SB 93, Ch. 555 (effective 1/1/10) which allows Redevelopment Agencies to pay for improvements that are publicly owned and partially located in the project area, but extends beyond the project area boundary, when the required findings are made. Construction of the Project will significantly improve a physically blighted area and help stimulate private investment.



RESOLUTION NO. 2010 -

Adopted by the Redevelopment Agency of the City of Sacramento

on date of

ALLOCATION OF FUNDS TO CONSTRUCT THE POWER INN ROAD STREET ENHANCEMENT PROJECT (TI5078000); RELATED BUDGET AMENDMENT; AUTHORIZATION TO EXECUTE INDIVIDUAL PROJECT AGREEMENT; RELATED FINDINGS

BACKGROUND

- A. The Agency considers it desirable to allocate \$282,000 to construct the Power Inn Road Street Enhancement Project (Project) which will provide funding the City has determined that it does not have available for the Project.
- B. The proposed Project is consistent with the goals and objectives outlined in the Army Depot Implementation Plan (2009 - 2014) by eliminating blight and promoting economic development on commercial corridors, and it is also specifically listed in the Redevelopment Program section as the Power Inn Road Street Enhancement at Union Pacific Railroad Crossing Project.
- C. The proposed Project will be publicly owned and is partially located in the Army Depot Redevelopment Project Area and extends into the 65th Street Redevelopment Project Area. The improvements will remove blight and are consistent with Army Depot Implementation Plan. The 65th Street Redevelopment Project Area has insufficient funds to pay for its portion of the improvements. The proposed allocation of Army Depot Redevelopment Project Area funds is consistent with California Health and Safety Code Section 33445(g) as amended by SB 93, Ch. 555 (effective 1/1/10).
- D. The Power Inn Road Streetscape Project was analyzed by the City of Sacramento in accordance with CEQA Guidelines. A Categorical Exemption was prepared pursuant to CEQA Guidelines §§ 15301 and was executed on June 29, 2010. The proposed actions do not constitute a new project or substantive changes or modifications to the project as previously analyzed. Because there are neither any new information of substantial importance nor any substantial changes with respect to the circumstances under which the project will be undertaken that would require preparation of supplemental environmental documentation, the recommended actions do not require further environmental review per CEQA Guidelines §§ 15162 or 15163.

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BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE REDEVELOPMENT AGENCY RESOLVES AS FOLLOWS:

- Section 1. All of the evidence presented having been duly considered, including the environmental findings above, the findings are approved.
- Section 2. In accordance with California Redevelopment Law Section 33445, the Agency further finds and determines that:
- a) The Project will benefit the Army Depot Redevelopment Project Area and adjacent 65th Street Redevelopment Project Area by eliminating and preventing the spread of blight through enhancements to the built environment by replacing inadequate and obsolete infrastructure and discouraging illegal dumping.
 - b) No other reasonable means of financing the Project is available to the community and the 65th Street Redevelopment Project Area has no available funds.
 - c) The Project is specifically identified in the Army Depot Implementation Plan (2009 - 2014) and advances the goals of the Implementation Plan by improving public infrastructure to attract new and retain existing development, assisting in eliminating blighting conditions that include inadequate infrastructure inside and adjacent to the redevelopment project area and improving unsafe conditions.
- Section 3. The Executive Director, or designee, is authorized to amend the 2010 Agency budget to transfer \$282,000 from Army Depot Tax Increment Development Assistance funds to construct the Project.
- Section 4. The Executive Director, or designee, is authorized to execute a new Individual Project Agreement with the City to construct the Power Inn Road Street Enhancement Project and to undertake related actions necessary to carry out the Project.