

**Meeting Date:** 6/16/2015

**Report Type:** Consent

**Report ID:** 2015-00512

**Title: Capital Improvement Program: Central City Lighting (T15155200)**

**Location:** District 4

**Recommendation:** Pass a Resolution 1) establishing a new Capital Improvement Project (CIP) for the Central City Street Lighting Project (T15155200); 2) transferring \$379,783 of General Funds (Fund 1001) from the Greyhound Project (B18420000) to the Central City Street Lighting Project (T15155200); 3) approving a funding agreement with the Handle District Corporation for the City to receive \$160,000 in funding for street lighting in the Handle District; and 4) transferring \$650,000 from the FY 2015/2016 Public Works Operating Budget allocated to Street Lights, when available on July 1, to the Central City Street Lighting Project CIP.

**Contact:** Leslie Fritzsche, Senior Project Manager, (916) 808-7223, Economic Development Department

**Presenter:** None

**Department:** Economic Development Dept

**Division:** Administration

**Dept ID:** 18001011

**Attachments:**

- 1-Description/Analysis
- 2-Resolution
- 3-Exhibit A (Project Location Map)
- 4-Exhibit B (Agreement)

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**City Attorney Review**

Approved as to Form  
Gerald Hicks  
6/9/2015 10:29:59 AM

**Approvals/Acknowledgements**

Department Director or Designee: John Dangberg - 5/29/2015 3:01:41 PM

## Description/Analysis

**Issue:** The Central City area is characterized by the Central Business District and a wide range of private and civic amenities. These include convention facilities, entertainment zones, theaters, museums, restaurants, hotels and retail. These uses are often tightly integrated into residential neighborhoods. The Central City also has significantly higher visitation rates and pedestrian activity than any area in the City. Much of that activity takes place after sunset. Street lighting in these highly active pedestrian areas varies widely. Some areas totally lack street lights while others have legacy street lighting systems which were not designed with high pedestrian activity and connectivity in mind. Addressing lighting needs in the Central City in a comprehensive way will enhance the creation of walkable districts and neighborhoods that feel safe and welcoming to residents, visitors and workers alike. This is critical to continue and sustain the economic growth in the Central City. Staff will be assessing the lighting needs of the Central City and will establish criteria for prioritizing the installation and/or retrofitting of the street lighting network. While this work is underway, staff is recommending proceeding with an initial phase of work in a section of the Central Business District (CBD) and two areas in Midtown.

**Policy Considerations:** The actions requested herein are consistent with the City's goals of improving and expanding public safety, enhancing livability and expanding the economic development at the City core.

**Economic Impacts:** The proposed initial investment in phase one of the Central City Street Lighting Project will result in the creation of four jobs of which two are direct jobs and two are through indirect and induced activities. In addition it will result in \$581,006 in output including \$366,212 of direct output and another \$214,794 of output through indirect and induced activities. These figures do not take into consideration the economic development benefits attributed to enhancing the streetscape and pedestrian experience along the corridors of Downtown.

The indicated economic impacts are estimates calculated using a calculation tool developed by the Center for Strategic Economic Research (CSER). CSER utilized the IMPLAN input-output model (2009 coefficients) to quantify the economic impacts of a hypothetical \$1 million of spending in various construction categories within the City of Sacramento in an average one-year period. Actual impacts could differ significantly from the estimates and neither the City of Sacramento nor CSER shall be held responsible for consequences resulting from such differences.

### Environmental Considerations:

**California Environmental Quality Act (CEQA):** Establishment of a Capital Improvement Program (CIP) project and the appropriation and transfer of funds are not subject to the provisions of CEQA under the general rule (Section 15061) in that CEQA applies only to projects that have the potential for causing a significant effect on the environment. The requested action is not a project under CEQA.

**Sustainability Considerations:** The project identified in this report is consistent with Sustainability Master Plan goal of enhancing alternative modes of travel by providing a

safe pedestrian route along L Street and J Street between 9<sup>th</sup> and 7<sup>th</sup> Streets and along 7<sup>th</sup> Street from L to I streets. In addition, energy efficient lighting is proposed to be used for this project to minimize the carbon footprint consistent with the City's sustainability policy.

**Commission/Committee Action:** None.

**Rationale for Recommendation:** In order to effectively capitalize on Downtown's assets, it is important to provide strong linkages with streetscape, signage and lighting. At this time, however, many of the corridors in Downtown are plagued with inadequate lighting and pockets of darkness. Consistent and attractive lighting can visibly enhance the pedestrian experience and create physical connections between spaces even if there are gaps created by vacant buildings and empty lots. Lighting is an important component to effective Crime Prevention through Environmental Design which is based on the principle that proper design and effective treatment of public spaces can lead to a reduction in the concerns of safety and enhance usage of the spaces. Effective and attractive street lighting fixtures have a visual impact that serves to enhance the pedestrian experience and the City's livability.

This report recommends a focus on three areas – one in the Central Business District (L Street between 7<sup>th</sup> and 9<sup>th</sup> Streets, J Street between 7<sup>th</sup> and 9<sup>th</sup> Streets and 7<sup>th</sup> Street between L and I Streets) and two in the Midtown area.

L Street between 7<sup>th</sup> and 9<sup>th</sup> streets was identified as a priority because of its poorly lit condition which was worsened by the departure of the Greyhound facility to Richards Boulevard, adjacency to new residential investments at the Berry, and its high vehicular traffic volume. 7<sup>th</sup> Street was selected because of its role in creating a strong north-south pedestrian linkage to the Railyards and Capitol Mall as well as being a gateway to the new Entertainment and Sports Complex. J Street was selected for its role as one of the main gateways to the City and central business district.

The approval of this report will allow staff to proceed with the design and implementation with a goal of completing the lighting project by the end of calendar year 2015. The design will be based on adding additional "acorn" style lighting along L Street and sections of 7<sup>th</sup> street. Where possible, upgrading the existing cobra light standards to more energy efficient lighting will also be included.

The second area is a commercial section known as the Handle District which is generally bounded by 18<sup>th</sup> Street, 19<sup>th</sup> Street, L Street and Capitol Avenue. The Handle district was identified because the installation of additional street lighting has long been a priority for the Handle Business District property owners (who have formed the Handle District Corporation) and the Midtown Business Association. They have raised \$160,000 of the \$190,000 needed for the project. (see attached funding agreement with the Handle District Corporation). The project will include the installation of 17 new streetlights in the district. The proposed new lighting would be the acorn style light design which is the approved light design for downtown.

The third initial area is a Midtown residential neighborhood generally bounded by I and J streets between 20<sup>th</sup> and 28<sup>th</sup> streets. This area was selected because it complements the lighting enhancements completed as part of the Sutter Hospital project and those completed in 2012 as part of the Midtown lighting project. In addition, additional lighting in this neighborhood will serve to enhance the feeling of safety and perceived impact the commercial traffic and patrons have on the residential area.

**Financial Considerations:** The preparation of the project report and construction of the initial phase of the Central City Street Lighting Project (T15155200) which includes the J, L, and 7<sup>th</sup> street corridors, the Handle district and the Midtown residential area (20<sup>th</sup> to 28<sup>th</sup>, I to J streets) is estimated to cost \$1,739,783.

The sources for the project include an allocation of \$379,783 in General Fund resources (Fund 1001) that remains from the Greyhound Relocation Project (B18420000), \$550,000 in approved Community Development Block Grant funds, \$650,000 in the 2015/2016 Public Works Operating Budget for Streetlights and \$160,000 from the Handle District Corporation. The 2015/2016 funds in the Public Works budget will be placed into the Central City Street Lighting Project CIP when they are available on July 1, 2016. The Greyhound funds are recommended for use on this project because when the Greyhound project was first approved, there was discussion about using any excess funds from the Greyhound project to increase lighting near the former Greyhound depot location to mitigate for the building vacancy and inactivity.

An agreement for the receipt and use of the Handle Business Improvement Association funds is attached to this report.

**Local Business Enterprise (LBE):** Not applicable as no goods or services are being purchased.

## **RESOLUTION NO.**

Adopted by the Sacramento City Council

### **ESTABLISHMENT OF A CAPITAL IMPROVEMENT PROJECT, AND APPROPRIATION AND TRANSFER OF FUNDS TO THE CENTRAL CITY STREET LIGHTING PROJECT**

#### **BACKGROUND**

- A. The Central City of Sacramento has an inconsistent pattern of street lighting and development of a strategy to address these lighting needs will assist in prioritization of street light installation.
- B. Three areas are recommended for additional street light enhancements as part of an initial phase of a Central City Street Lighting Project (T15155200) – commercial corridors in the Central Business District (L Street between 7<sup>th</sup> and 9<sup>th</sup>, J Street between 7<sup>th</sup> and 9<sup>th</sup> streets, and 7<sup>th</sup> Street from L to I streets), the Handle District (generally bounded by 19<sup>th</sup>, 18<sup>th</sup>, L and I streets) and a Midtown residential area bounded by I and J streets, 20<sup>th</sup> through 28<sup>th</sup>.
- C. The Project will serve to provide visual linkages to enhance the pedestrian experience and create safe connections and passages between key City assets and residential neighborhoods.
- D. The Sacramento Housing and Redevelopment Agency (SHRA) has agreed to provide partial funding for the project development and construction of a second phase through Community Development Block Grant funds. The services for the construction project are listed in an individual project agreement (IPA) with the City of Sacramento.

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

- Section 1. The Central City Street Lighting Project (T15155200) is established as a new Capital Improvement Program project.
- Section 2. The Central City Street Lighting Project (T15155200) expenditure budget is established by transferring \$379,783 (General Fund 1001) from the Greyhound project (B18420000) to the Central City Street Lighting Project (T15155200).
- Section 3. The Central City Street Lighting Project (T15155200) expenditure budget is amended on or after July 1 by transferring \$650,000 (General Fund 1001), from the FY2015/16 Public Works Operating

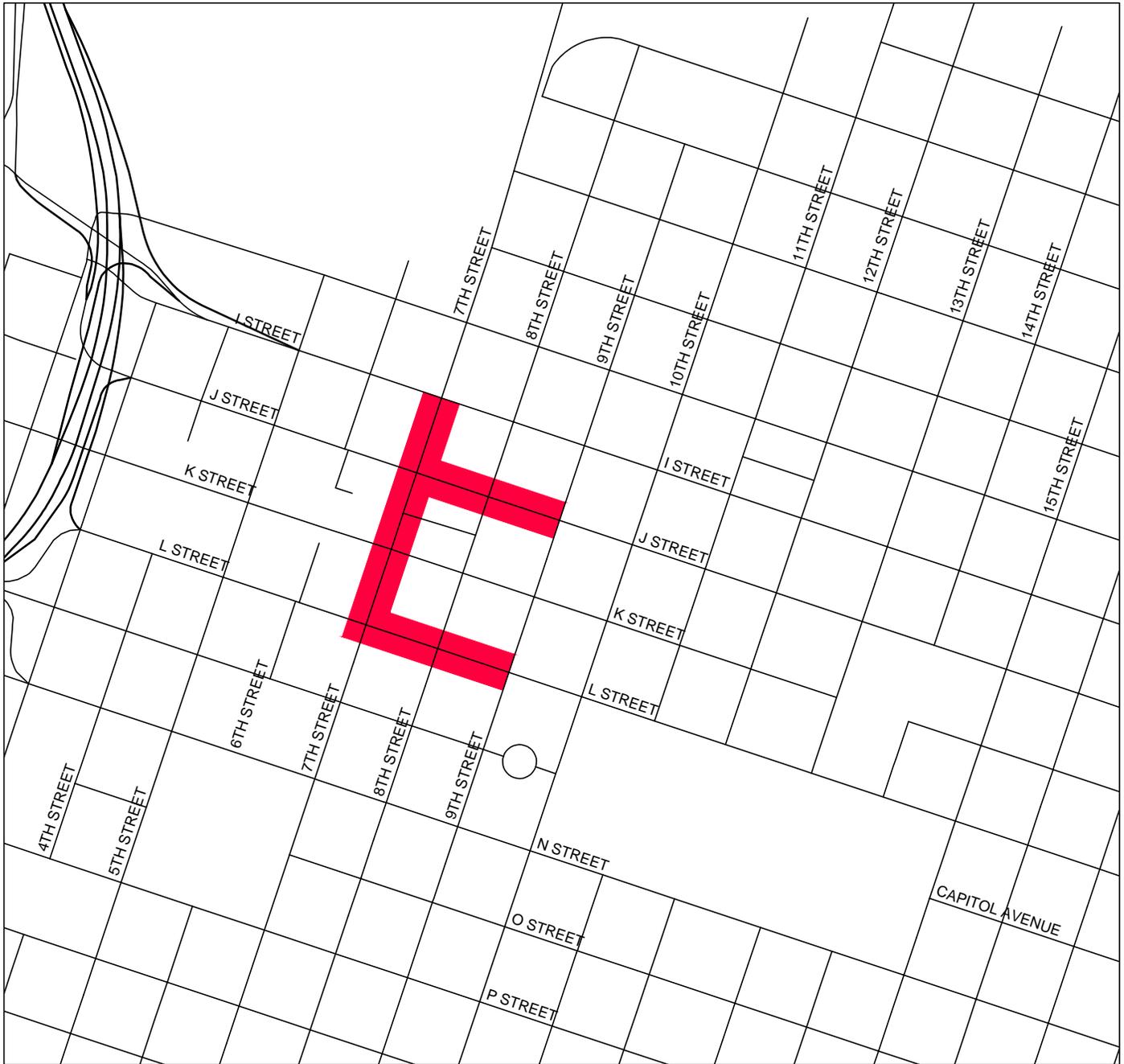
Budget.

- Section 4. The City Manager or his designee is authorized to execute the attached Funding Agreement with the Handle District Corporation (“Corporation”) to receive \$160,000 in funds from the Corporation for the Handle District portion of this project.
- Section 4. The revenue and expenditure budget for the Central City Street Lighting Project (T15155200) will be amended to include the \$160,000 in Association funds (CIP Reimbursable Fund 3702).
- Section 5. Exhibit A and B are incorporated into and made part of this resolution.

**Table of Contents:**

- Exhibit A: Central City Street Lighting Project – Initial Project Location Maps  
Exhibit B: Funding Agreement with Handle District Corporation

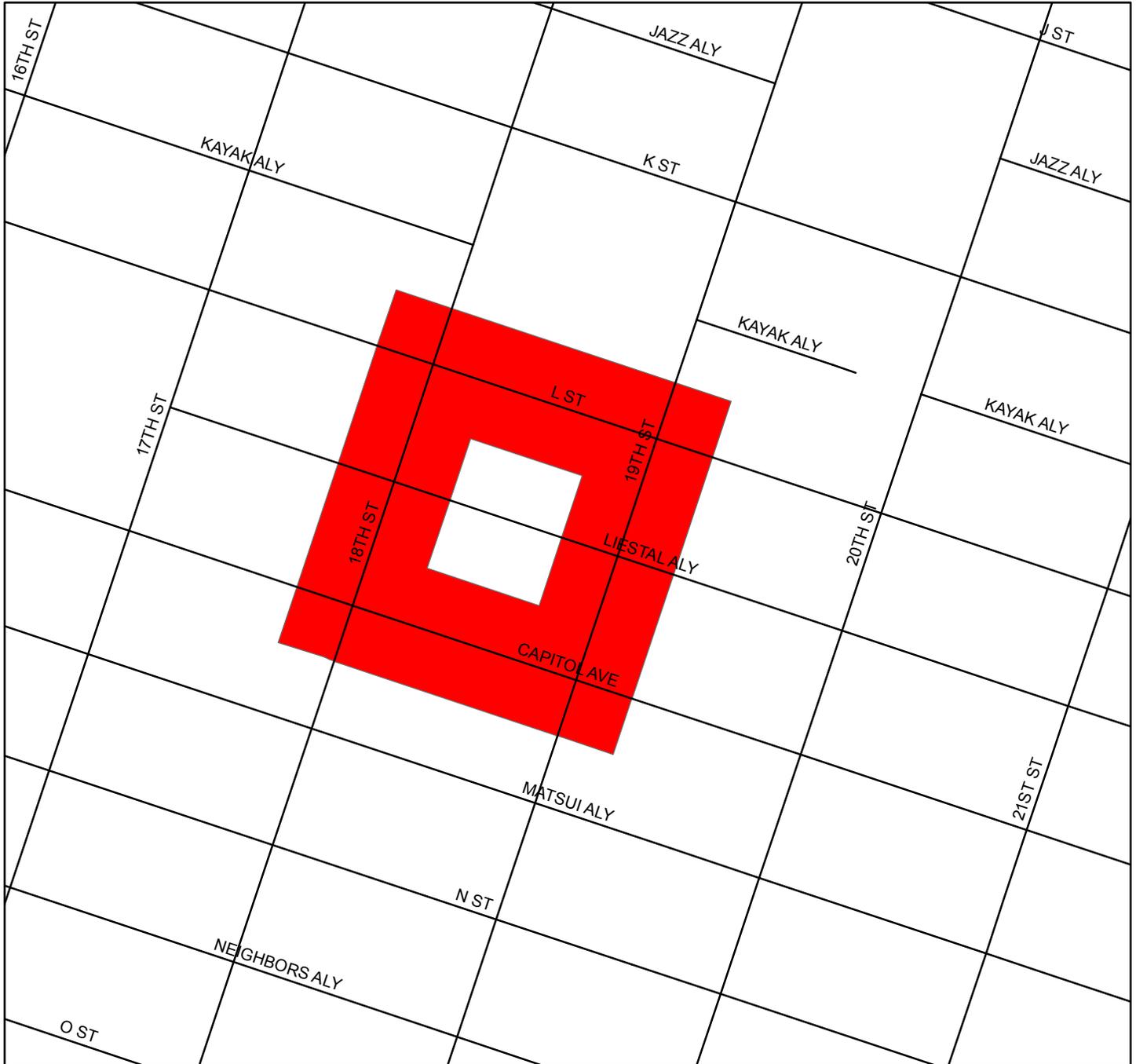
# Location Map For: DOWNTOWN STREET LIGHTING



PROJECT  
LOCATION



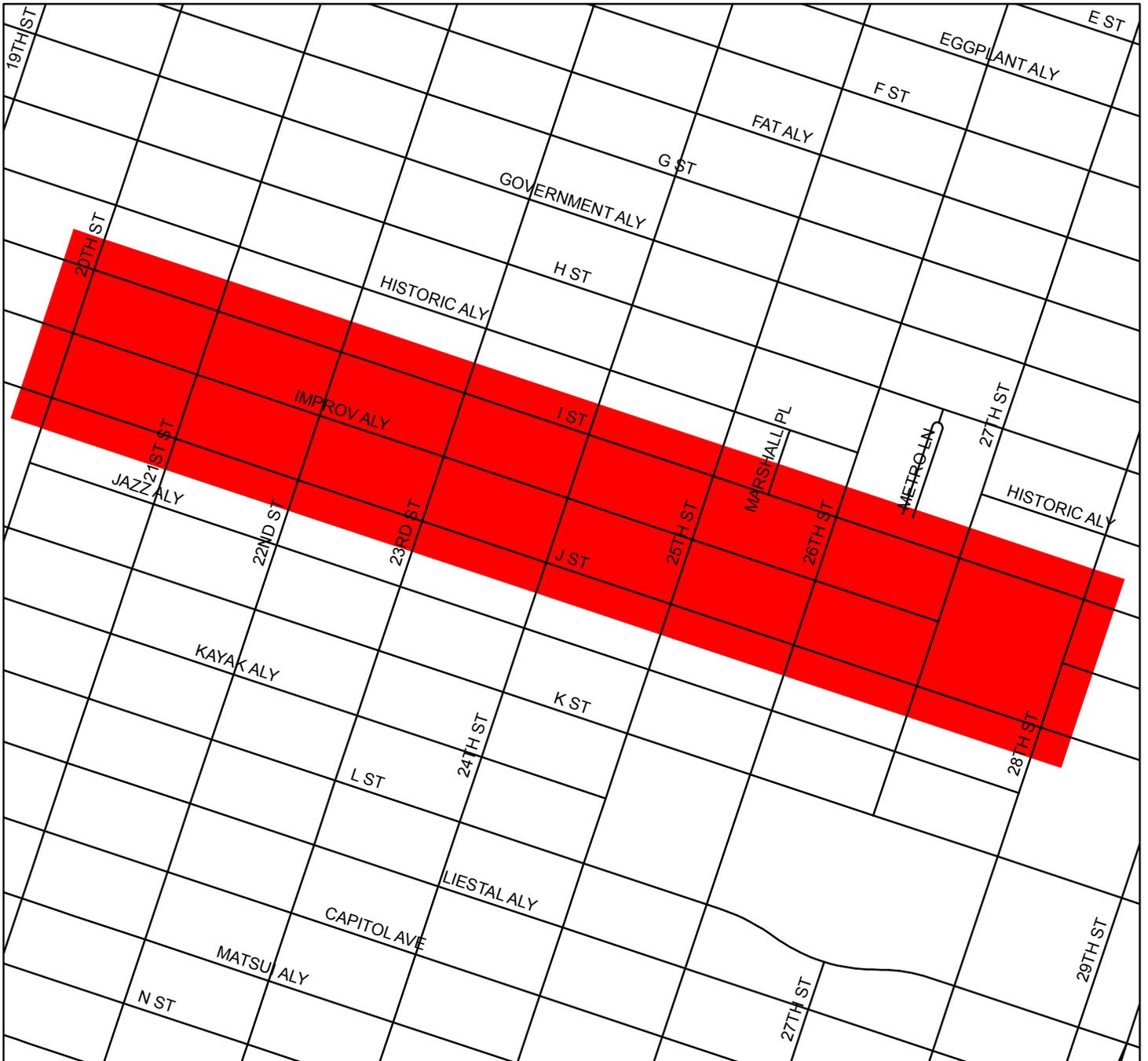
# Location Map For: The Handle District Street Lighting



 Project Location



# Location Map For: Midtown Residential Neighborhood Street Lighting



 Project Location



CITY OF SACRAMENTO

AGREEMENT BETWEEN THE CITY OF SACRAMENTO AND HANDLE DISTRICT  
PERTAINING TO  
STREET LIGHTING IN THE HANDLE DISTRICT CORPORATION AS PART OF  
THE CENTRAL CITY LIGHTING PROJECT (PN:T15155200)

THIS AGREEMENT is made and entered into on \_\_\_\_\_, 2015, by and between the City of Sacramento, a California Charter City (“CITY”) and the Handle District Corporation (“Handle District”).

**Section 1.** CITY will design and construct the Central City Street Lighting Project (“Project”), of which street lighting in the Handle District is a part. The Project will install new City standard ornamental street lights in three segments within the Handle District: seven new lights between 19<sup>th</sup> Street between L Street and Capitol Avenue; six new lights on L Street east of 19<sup>th</sup> Street to 18<sup>th</sup> Street; and six lights on 18<sup>th</sup> Street between L Street and Capital Avenue.

**Section 2.** In addition, the Project will install electrical outlets on the new street lights. These electrical outlets shall be used by the Handle District for decorative lighting during the Holiday Seasons. The amount of electricity drawn from said electrical outlets shall be limited by the capacity of City street light circuits permitted by the Sacramento Municipal Utility District (“SMUD”). The electrical outlets shall be activated by CITY upon the Handle District’s request. The Handle District shall indemnify and defend City against any damages or losses resulting from the use of the electrical outlets. The Handle District shall reimburse the City for any damages resulting from the use of the electrical outlets.

**Section 3.** The City of Sacramento shall fund the design and construction of the Project up to \$30,000. The Handle District shall contribute \$160,000 of its own or contributed funds to the Project. Payment shall be made in one (1) lump sum payment to CITY within five (5) days of execution of this Agreement.

**Section 4.** Upon the completion of the Project, if there is a budget surplus after all expenses have been paid, CITY shall refund the Handle District up to the amount of the surplus.

**Section 5.** CITY shall manage the design and construction of the Project. Specific construction management tasks to be performed by the City include but are not limited to: construction contract award; contract management; construction inspection and material testing.

**Section 6.** The obligations arising from this Agreement are neither a debt of the Handle District nor a legal or equitable pledge, charge, lien, or encumbrance upon any of their property or upon any of their income, receipts, or revenues. CITY shall not compel the forfeiture of any of the Handle District's property to satisfy any obligations arising from this Agreement

**Section 7.** All notices or other communication to be given to either party pursuant to this Agreement shall be in writing to the parties at the addresses set forth below:

CITY: Department of Transportation  
915 I St, Room 2000  
Sacramento, CA 95814  
ATTN: Sompol Chatusripitak, Senior Engineer

HANDLE DISTRICT: Handle District Corporation  
1717 Capital Avenue  
Sacramento, CA 95811  
ATTN: Seann Rooney, Executive Director

Such notice shall be deemed given when deposited into the United States mail, postage prepaid, addressed to the parties at the addresses above. Nothing shall preclude the giving of personal notice.

**Section 8.** This Agreement may only be amended by a written document signed and executed by both parties.

**Section 9.** This Agreement shall be constructed and interpreted under and governed and enforced according to the laws of the State of California.

**Section 10.** This Agreement contains the entire agreement of the parties hereto with respect to the matters covered hereby, and supersedes all prior arrangements, understandings or agreements between the parties, and no other agreement, statement or promise made by either party hereto which is not contained herein shall be binding or valid.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

HANDLE DISTRICT CORPORATION

  
Seann Rooney, Executive Director

CITY OF SACRAMENTO  
a California Charter City

\_\_\_\_\_  
John Shirey, City Manager

ATTEST:

\_\_\_\_\_  
City Clerk

Approved as to Form for City:

\_\_\_\_\_  
City Attorney