



REPORT TO COUNCIL City of Sacramento

915 I Street, Sacramento, CA 95814-2604
www. CityofSacramento.org

Consent
October 10, 2006

Honorable Mayor and
Members of the City Council

Title: Authorization to Submit Grant Applications to Caltrans for the Docks Area Project

Location/Council District: The Docks Area is located along the Sacramento Riverfront, north of the Marina/Miller Park, west of the Interstate 5, south of Capitol Mall and east of the Sacramento River. (District 4)

Recommendation: Adopt a **Resolution** authorizing the City Manager to (1) Submit applications for funding from Caltrans for community-based planning grants for the Docks Area Project including the extension of the riverfront parkway into Miller Park and/or urban design guidelines for the Docks Area, (2) Take all necessary steps to secure the grant funds from Caltrans to provide funds for the Project; and (3) Accept a grant of up to \$250,000 for each grant awarded by Caltrans, and for the City Manager, or his designee to conduct all negotiations, execute and submit all documents with Caltrans, including but not limited to contracts, subcontracts, applications, agreements, extensions, renewals, payment requests and amendments of funding provided by Caltrans, which may be necessary for the completion of the Project.

Contact: Laura Sainz, Senior Economic Development Project Manager, 808-2677;
Leslie Fritzsche, Downtown Development Manager, 808-5450

Presenters: N/A

Department: Economic Development

Division: Downtown Development Group

Organization No: 4451

Description/Analysis

Issue: The State of California Department of Transportation (Caltrans) offers grants to cities interested in community based planning. The City of Sacramento (City) has received a number of these grants, including a grant for the community outreach and design of the Dock Area riverfront promenade. Caltrans has opened up another round of funding for community-based planning grants. The grants will potentially fund community workshops, planning studies and conceptual design work for the extension of the riverfront parkway into the

Marina/Miller Park and/or the Docks Area Design Guidelines. Applications are due to Caltrans on October 13, 2006.

Policy Considerations: The Docks Area riverfront promenade and urban design guidelines are consistent with the following goals identified in the 2005-2008 City of Sacramento Strategic Plan:

1. Achieve sustainability and livability;
2. Increase opportunities for all Sacramento residents to live in safe and affordable housing; and
3. Expand economic development throughout the city.

Environmental Considerations: This activity is not considered a project as defined by Section 15378 of the California Environmental Quality Act (CEQA) guidelines. It does not have the potential for resulting in either a direct or reasonable foreseeable indirect physical change in the environment.

Rationale for Recommendation: Grant funds for the Docks Area promenade and design guidelines allow the city to leverage its investment in the project.

Financial Considerations: For the Caltrans grant applications, staff is still estimating the cost of the proposed planning projects. There is a cap of \$250,000 per project in grant funds available, or a maximum amount of \$500,000. Depending on the specific grant, the grants require a local match of either ten or twenty percent. There is sufficient funding in KD41 for the local match, which is a maximum of \$75,000 for both grant applications.

Emerging Small Business Development (ESBD): No goods or services are being purchased at this time.

Respectfully Submitted by: 
 Leslie Fritzsche
 Downtown Development Manager

Recommendation Approved:

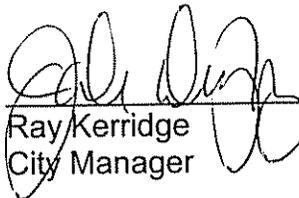

 Ray Kerridge
 City Manager

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Background Docks Area Redevelopment Project

In July 2003, the City Council accepted the Sacramento Riverfront Master Plan (Master Plan) following a community process supported by both the cities of Sacramento and West Sacramento. The Master Plan identified two opportunity sites targeted for redevelopment on the City of Sacramento riverfront. One of those opportunity sites is the Docks Area, located north of the Marina/Miller Park, west of Interstate 5, south of Capitol Mall and east of the Sacramento River. The Master Plan includes a design for a continuous riverfront promenade/parkway along the urbanized areas of the Sacramento River.

In 2005, the City engaged in an extensive community planning process to further define the redevelopment concepts for the Docks Area. The Docks Area community planning process resulted in a number of concept plans, all of which included a riverfront parkway/promenade. In addition, a number of guiding principles were established for the redevelopment of the Docks Area, including:

1. Access to the riverfront;
2. Linkages to adjacent neighborhoods;
3. Pedestrian orientation; and
4. An animated riverfront.

In October 2005, the Agency issued a Request for Qualifications (RFQ) to determine developer interest in the Docks Area. Following an extensive review of received submittals and a community workshop and interviews, a development team was selected by the evaluation committee. On January 5, 2006, an Exclusive Right to Negotiate was approved between the Agency and KSWM Docks Partners, LLC for the development of properties north of the Pioneer Bridge in the northern section of the Docks Area.

In April 2006, SACOG awarded the City a \$1.239 million grant for the design and construction of the Docks Area Riverfront Promenade. The next step is for the City to enter into a Memorandum of Understanding for the grant and provide the required local matching funds. It is anticipated the local matching funds of \$161,000 will come from the Merged Downtown Redevelopment Project Area funds.

On May 4, 2006, an update on the predevelopment activities related to the Docks project was presented and included the following issues:

Property Acquisition - Staff has been negotiating with two property owners, including the State of California and the Pacific Gas and Electric Company (PG&E). The City is entering into a Memorandum of Understanding (MOU) with the State of California Department of Parks and Recreation in an effort to acquire and/or secure easements

on State-owned parcels. In addition, all of the remaining properties in the Docks Area, including the properties south of Pioneer Bridge needed for the riverfront promenade, are being appraised. Following completion of the appraisals, staff will initiate negotiations with PG&E and the property owners south of Pioneer Bridge.

State Lands Commission Boundary Line Agreement (BLA) - Staff has met with the State Lands Commission to move forward with a BLA that will formally define the Commission's interest in the Docks Area, thereby clearing title on the developable parcels.

Pioneer Reservoir - The City owns and operates the Pioneer Reservoir as part of the downtown combined sewer-storm drain system. The Reservoir is in need of significant structural improvements. Staff is in the process of evaluating options to either repair the existing facility or build a new facility that would provide enhanced design and land use options. The existing facility and surrounding area is approximately seven acres, which is a substantial portion of the 21 developable acres north of Pioneer Bridge.

The Riverfront Promenade - Staff and the development team reviewed the feasibility of starting the promenade design and development as a separate process in an effort to maintain momentum in the area as well as to begin to define the critical public and open space in the project.

Department of Toxic Substances Control (DTSC) - Staff has been meeting with the DTSC to review existing deed restrictions and remediation options in the Docks Area.

Developer Activity

Market Assessment - KSWM completed a market assessment to identify market demand and absorption rates. This assessment provides specific information related to the economic feasibility of planning goals that include a high-density, mixed-use project.

Concept Plans/Community Planning Process - KSWM began its due diligence by reviewing the 2003 Riverfront Master Plan and the 2005 Docks Area community planning process. In addition, the developer reviewed the infrastructure assessment, the Phase I and II Environmental Site Assessment, and the draft facilities plan which were prepared to identify existing constraints in the area.

On May 23, 2006, staff received direction from City Council to issue a Request for Proposals for the design of the levee improvements and riverfront promenade/parkway. Following Council direction, a Request for Proposals was issued for the Docks Area levee improvements and riverfront promenade design. An evaluation committee made up of the City's Docks Area technical team, including seven staff members from the City's Economic Development, Parks, Transportation, and Planning departments reviewed the initial proposals. One proposal was received for the civil design work. Four proposals were received for the landscape architecture, permitting and community outreach portion of the project. The civil design team met all the necessary

qualifications. All four of the landscape architecture teams were interviewed. The evaluation committee, made up of the City's technical team, representatives from the development team and a community representative, interviewed the landscape architect teams. After reviewing the team's related experience and expertise with the regulatory and permitting process required for this project, the evaluation team recommended selecting Walker Macy as the landscape architect firm. Nichols Consulting Engineers will be completing the civil engineering work. In order to facilitate the management of the overall project, Walker Macy is being recommended as the prime contractor. Council also requested staff to strategically target grant funds to be used for the properties south of the Pioneer Bridge, since these properties are not within the Merged Downtown Redevelopment Project Area.

On May 26, 2006, the City was awarded an \$183,620 grant from the California Department of Transportation for the community outreach process related to the promenade/parkway design. The City must provide \$45,905 in local matching funds. It is anticipated these funds will come from the Merged Downtown Redevelopment Project Area funds.

On May 30, 2006, the Agency approved an Environmental Oversight Agreement (EOA) between the Agency and the State Department of Toxic Substances Control for oversight and guidance on proposed remediation strategies for redeveloping the Docks Area.

In August 2006, a number of community meetings were or will be held to solicit public input on the final draft land use plans.

RESOLUTION NO.

Adopted by the Sacramento City Council

**AUTHORIZATION TO SUBMIT GRANT APPLICATIONS TO CALTRANS
FOR THE DOCKS AREA PROJECT**

BACKGROUND

- A. The Docks Area Project is located along the Sacramento Riverfront, north of the Marina/Miller Park, west of the Interstate 5, south of Capitol Mall and east of the Sacramento River.
- B. The City of Sacramento, as part of the implementation of the 2003 Sacramento Riverfront Master Plan, is interested in a community based planning process to redevelop the Docks Area into a mixed-use, sustainable community with alternative transportation modes and access to the riverfront.
- C. The City of Sacramento is seeking Community Based Transportation Planning Grants from the State of California Department of Transportation (Caltrans) to assist with the implementation of the Docks Area Project.

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

- Section 1. The City Manager or his designee is authorized to submit applications for funding from Caltrans for Community Based Transportation Planning grants for the Docks Area including the extension of the riverfront parkway into Miler Park and/or urban design guidelines for the Docks Area Project (KD41).
- Section 2. The City Manager, or his designee is authorized to take all necessary steps to secure the grant funds from Caltrans to provide funds for the Project.
- Section 3. The City Council authorizes the City of Sacramento to accept a grant amount of up to \$250,000 for each grant awarded by Caltrans, and for the City Manager, or his designee to conduct all negotiations, execute and submit all documents with Caltrans, including but not limited to contracts, subcontracts, applications, agreements, extensions, renewals, payment requests and amendments of funding provided by Caltrans, which may be necessary for the completion of the Project.

