



**Sacramento
Housing &
Redevelopment
Agency**

**REPORT TO COUNCIL AND
REDEVELOPMENT AGENCY
City of Sacramento**

915 I Street, Sacramento, CA 95814-2671
www.CityofSacramento.org

**CONSENT
May 22, 2007**

**Honorable Mayor and Members of the City Council
Honorable Chair and Members of the Board**

Title: Agreements: North Sacramento Redevelopment Area Minor Infrastructure Fund

Location/Council District: North Sacramento Redevelopment Area, Council District 2

Recommendation: 1) Adopt a **City Resolution**: a) amending the City's Development Services Department's operating budget that administers the Alley Abatement Program for FY2006/07, to appropriate \$12,000 to the Program and make related environmental and redevelopment findings; and b) authorizing the City Manager to execute an Individual Project Agreement (IPA) in the amount of \$12,000 for the North Sacramento Minor Infrastructure Fund, and 2) Adopt a **Redevelopment Agency Resolution** authorizing the Executive Director or her designee to: a) create a North Sacramento Minor Infrastructure Fund in the North Sacramento Redevelopment Area to assist with minor infrastructure improvements; b) transfer \$20,000 of 1999 Tax Exempt bond funds to the North Sacramento Minor Infrastructure Fund; and c) enter into an IPA with the City of Sacramento for the closure of four alleys to be funded by \$12,000 from the North Sacramento Minor Infrastructure and Special Projects Fund.

Contact: Lisa Bates, Community Development Director, SHRA, 440-1316; Chris Pahule, Assistant Director, SHRA, 440-1350

Presenters: Not applicable.

Department: Sacramento Housing and Redevelopment Agency

Description/Analysis

Issue: This report recommends that a fund be created that will provide assistance for minor infrastructure improvements in the North Sacramento Redevelopment Project Area (Location Map, Attachment 1, and Site Map, Attachment 2). The North Sacramento Redevelopment Area Minor Infrastructure Fund would provide financial assistance for improvement projects such as the installation of alley gates, neighborhood lights and street signage. The City does not have sufficient financial resources available to fully fund these types of projects; therefore, this report requests the allocation of 1999 Tax Exempt bond funds to the North Sacramento Minor Infrastructure Fund.

This Fund would serve as a one time grant for qualified projects under the Fund's eligibility guidelines (Attachment 3) and redevelopment law. Staff recommends that each individual allocation not exceed \$5,000. In addition, staff proposes that the North Sacramento Redevelopment Advisory Committee review and recommend project proposals to the Redevelopment Agency (Agency).

To date, the Agency has only received requests to provide matching funds to the City's existing Alley Abatement Program. Current proposed alley closure projects include the following requests for financial assistance to install alley gates (Attachment 2):

- Alley bound by Santiago, Evergreen, Lexington, and Fianza
- Alley bound by Del Paso, Fairfield, Calvados, and Oxford
- Alley bound by Fairfield, Winnipeg, El Monte, and Del Paso
- Alley bound by Forrest, Winnipeg, El Monte, and Del Paso

The matching funds required for each alley closure and alley gate installation vary; however, the projected cost per alley is approximately \$3,000.

Committee/Commission Action: At its April 19, 2007 meeting, the North Sacramento Redevelopment Advisory Committee (RAC) approved the staff recommendation for this item. The votes were as follows:

AYES: Adams, Charland, Clark, Curry, Harland, Hubbs, Lukehart, Mack, Scott, Veden.

NOES: None.

ABSTAIN: None.

ABSENT: Armstrong, Bergstrom, Mulligan.

Sacramento Housing and Redevelopment Commission: At its May 2, 2007 meeting, the Sacramento Housing and Redevelopment Commission considered the staff recommendation for this item. The votes were as follows:

AYES: Burruss, Chan, Fowler, Gore, Hoag, Piatkowski, Shah, Stivers.

NOES: None.

ABSTAIN: None.

ABSENT: Burns, Coriano.

Policy Considerations: The proposed action is in furtherance of the adopted North Sacramento Five-Year Implementation Plan, which specifies the elimination of residential blighting conditions as a priority in the Project Area. This action is also consistent with the North Sacramento Redevelopment Area Plan that was adopted in 1992.

Environmental Considerations: The proposed action to fund four alley closures is exempt from environmental review per California Environmental Quality Act (CEQA) Guidelines Section 15303, New Construction or Conversion of Small Structures. In addition, City Council approval is required prior to funding each new project. National Environmental Policy Act (NEPA) does not apply.

Rationale for Recommendation: While the proposed infrastructure projects will be minor, they will have a substantial impact on improving neighborhoods in the redevelopment area and eliminating blight in the community, especially those areas that exhibit the blighting condition of a high crime rate that constitutes a serious threat to the public safety and welfare. Furthermore, there are no other reasonable means available to the City for financing minor infrastructure projects in the Redevelopment Area.

Financial Considerations: This report recommends the creation of a Minor Infrastructure Fund and the allocation of \$20,000 of North Sacramento 1999 Tax Exempt bond funds. Currently, there are four alley closure projects proposed and included in this report for Council approval. The estimated cost to match the City's Alley Abatement Program for these four alley closure applications is \$12,000. This report recommends transferring these funds to the City's Program via an Individual Project Agreement (IPA). The remaining \$8,000 in the Fund would be available for future minor infrastructure projects that would come before Council on a case by case basis.

M/WBE Considerations: Federal funds are not being used and, therefore, no M/WBE requirements apply.

Respectfully Submitted by: 
ANNE M. MOORE
Executive Director

Recommendation Approved:

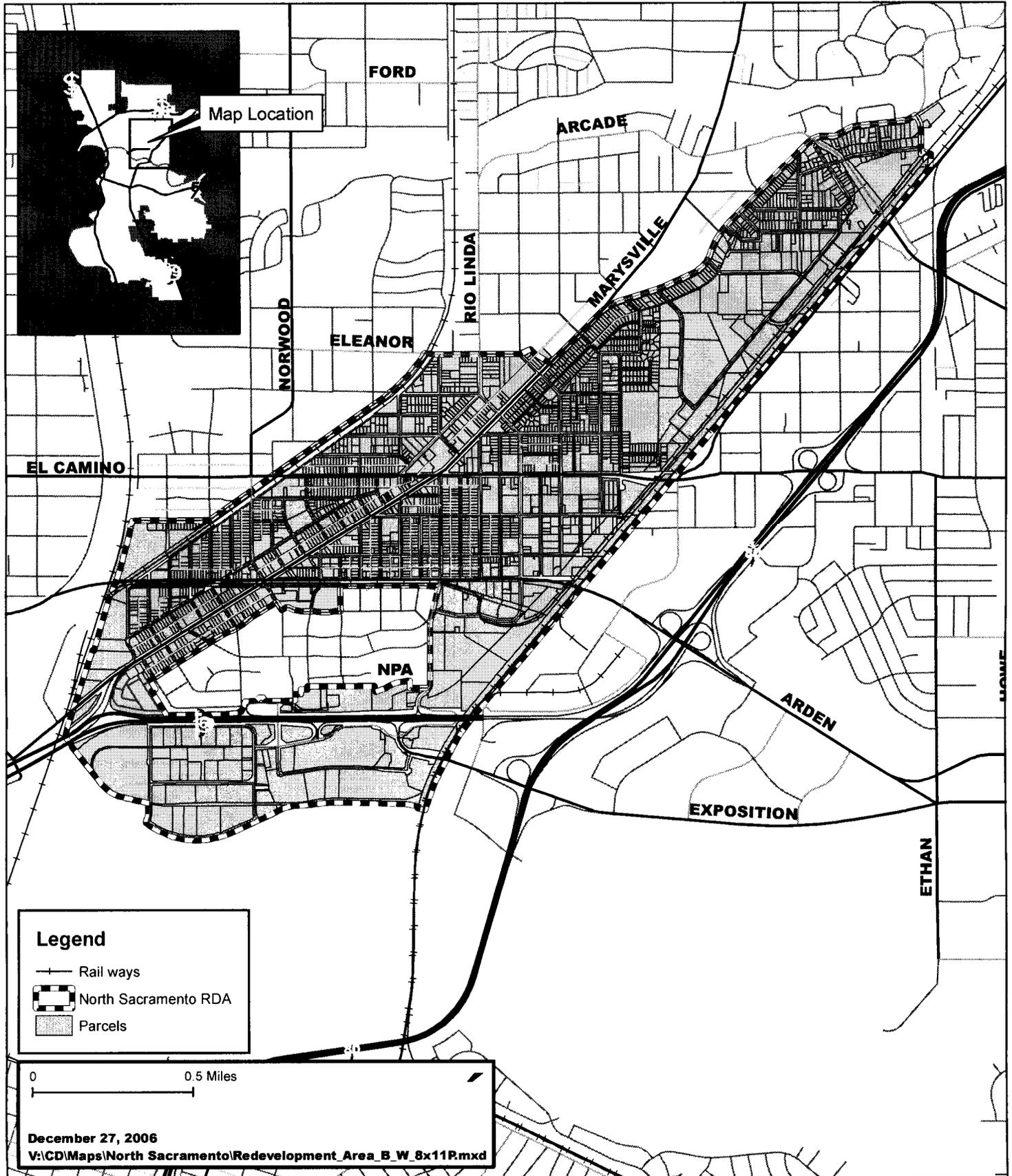

RAY KERRIDGE
City Manager

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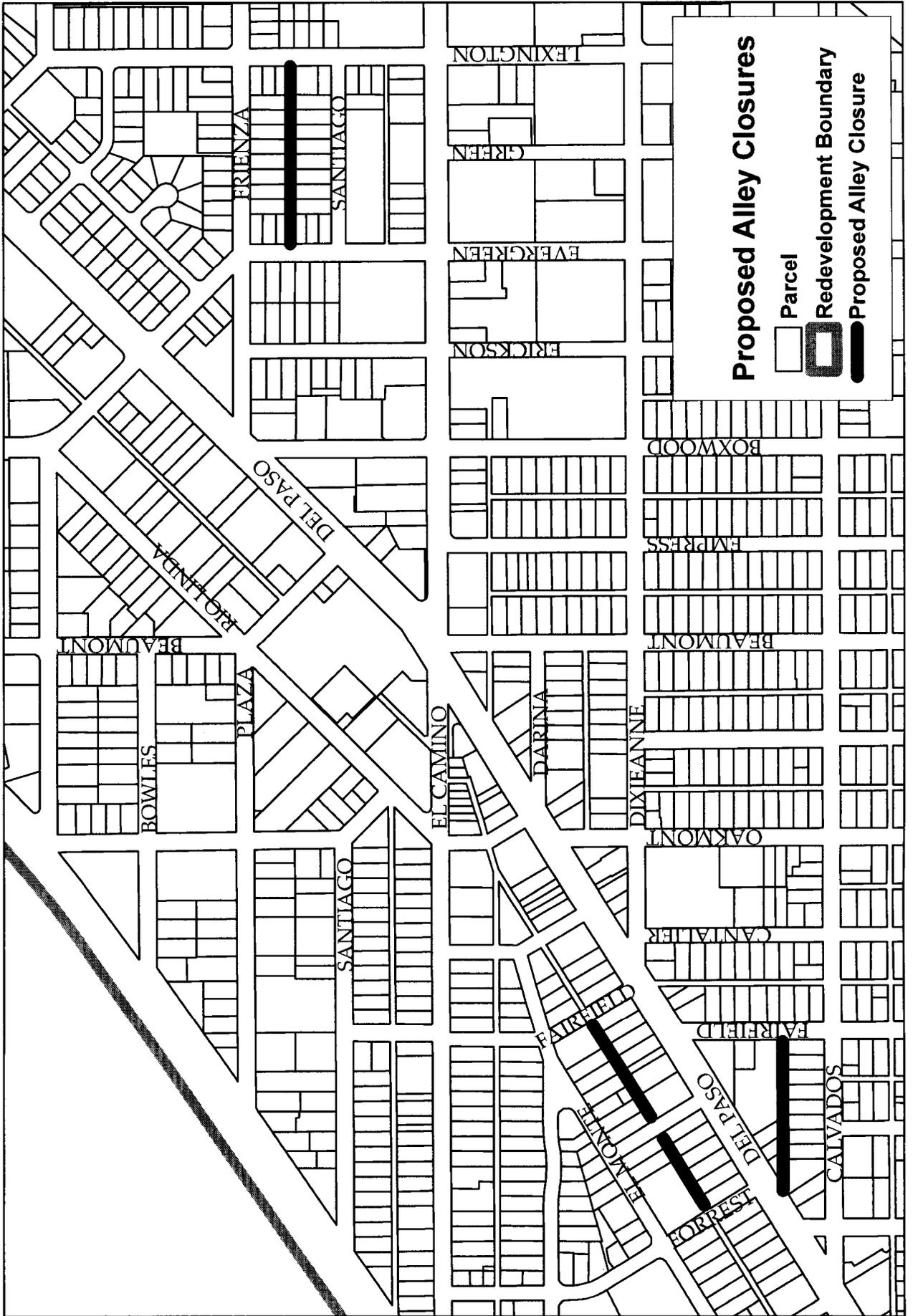
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North Sacramento Redevelopment Area



Proposed Alley Closures North Sacramento Redevelopment Area



BACKGROUND

North Sacramento Redevelopment Area Minor Infrastructure Fund

At the April 21, 2005 North Sacramento Redevelopment Advisory Committee (RAC) meeting, the RAC recommended establishing a North Sacramento Minor Infrastructure Fund (Fund) with guidelines for approving project proposals. It was also recommended that the RAC review the proposals and make recommendations to the Agency on a case by case basis.

The purpose of the Fund is to assist residents and property owners with small infrastructure projects such as the installation of alley gates, neighborhood lighting, and street signage. Frequently, the Agency staff has been unable to accommodate these requests due to lack of an identifiable funding sources and Agency authority to allocate those funds within the required timeframe. Establishing the North Sacramento Minor Infrastructure Fund would allow the Agency flexibility in assisting with these types of requests.

Based on community requests to fund smaller infrastructure related projects, staff recommends the allocation of \$20,000 to implement this Fund and proposes that each individual allocation not exceed \$5,000. The RAC would review project proposals as they come forward and make recommendations for approval to the Agency. Requests would be reviewed to ensure that proposals satisfy the eligibility criteria (see below) and prioritized based on RAC recommendations. A staff report would be generated and submitted to the City Council and Redevelopment Agency to determine if the recommended project qualifies for the use of redevelopment funds, to conduct appropriate environmental review, and to consider the findings necessary for the use of redevelopment funds for public works projects.

The total number of projects completed will be determined by the number of proposals received, project readiness, and individual cost estimates. Eligible activities and program criteria would include:

- Minor neighborhood infrastructure projects within the Redevelopment Area boundary excluding activities on commercial corridors such as Del Paso Boulevard, Arden Way, and El Camino.
- Bricks and mortar, longer-term tangible projects such as alley gates, neighborhood lights, and street signage. This would exclude projects that require funding of business operations, private property improvements such as housing rehabilitation, "clean-up" activities such as street sweeps, or ongoing maintenance operations.
- Projects that require minimal study prior to implementation and those that have completed the scoping process. Projects that require extensive study and/or scoping prior to implementation would be excluded.
- Qualified projects for the use of redevelopment funds.

RESOLUTION NO. 2007 -

Adopted by the Sacramento City Council

on date of

AMENDING THE FY2006/07 DEVELOPMENT SERVICES DEPARTMENT ALLEY ABATEMENT PROGRAM OPERATING BUDGET; APPROPRIATING \$20,000 TO THE PROGRAM; AUTHORIZING TO EXECUTE AN INDIVIDUAL PROJECT AGREEMENT (IPA) WITH THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO; AND RELATED FINDINGS

BACKGROUND

- A. The City established an Alley Abatement Program in 1993.
- B. The purpose of the Program is to provide 50% matching funds to residents and property owners in the City of Sacramento to assist with alley closures in problem areas of the City. The North Sacramento Redevelopment Area is covered by the Alley Abatement Program.
- C. Currently, property owners are required to match the City's 50% Program funds in order to install alley gates and close their alleys.
- D. There is no alternative funding source available to match the City's 50% Alley Abatement Program.
- E. On April 19, 2007, the North Sacramento Redevelopment Advisory Committee (RAC) recommended establishing a North Sacramento Minor Infrastructure Fund to assist residents and property owners with small infrastructure projects such as the installation of alley gates by providing matching funds to the City's Alley Abatement Program.
- F. On April 19, 2007, the North Sacramento Redevelopment Advisory Committee (RAC) also recommended funding the following four existing applications to the City's Alley Abatement Program to close alleys in the North Sacramento Redevelopment Area:
 - Alley bound by Santiago, Evergreen, Lexington, and Fianza;
 - Alley bound by Del Paso, Fairfield, Calvados, and Oxford;
 - Alley bound by Fairfield, Winnipeg, El Monte, and Del Paso; and
 - Alley bound by Forrest, Winnipeg, El Monte, and Del Paso.
- G. On May 2, 2007, the Sacramento Housing and Redevelopment Commission recommended to the Redevelopment Agency that the North Sacramento Minor Infrastructure Fund be approved to include providing matching funds to the City's Alley Abatement Program.

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

Section 1. After due consideration of the facts presented, the findings, including the environmental findings regarding this action, are approved.

Section 2. In accordance with California Redevelopment Law Section 33445, the City Council further finds and determines that:

- (a) The proposed action, the closure of four alleys (the proposed project), benefits the Redevelopment Project Area by furthering the goals of the North Sacramento Five-Year Implementation Plan adopted by the Sacramento City Council, which specifies the elimination of residential blighting conditions as a priority in the Project Area.
- (b) The Redevelopment Project Area has a high crime rate that constitutes a serious threat to the public safety and welfare. The proposed action would eliminate blight by reducing criminal activity through closures of alleys where many criminal activities currently take place.
- (c) There are no other reasonable means available to the community to finance the Alley Abatement Program's matching fund.

Section 3: The City Manager or his designee is authorized to enter into IPA with the Redevelopment Agency of the City of Sacramento to accept \$12,000 in Agency funding for the closures of four alleys (the proposed project).

Section 4. The City Manager or his designee is authorized to take all actions and execute such instruments as may be necessary to implement the IPA.

Section 5. The Development Services Department FY2006/07 operating budget is amended by the appropriation of \$12,000 to the Alley Abatement Program from the North Sacramento Minor Infrastructure Fund.

RESOLUTION NO. 2007 -

Adopted by the Redevelopment Agency of the City of Sacramento

on date of

CREATION OF THE NORTH SACRAMENTO MINOR INFRASTRUCTURE FUND AND APPROVAL OF FOUR ALLEY CLOSURE APPLICATIONS

BACKGROUND

- A. On April 19, 2007, the North Sacramento Redevelopment Advisory Committee (RAC) recommended establishing a North Sacramento Minor Infrastructure Fund.
- B. The purpose of the fund is to assist residents and property owners with small infrastructure projects such as the installation of alley gates, neighborhood lighting, and street signage.
- C. Project proposals would be reviewed by the RAC as they come forward and recommendations made for approval by the Agency. Requests would be reviewed to ensure that proposals satisfy the established eligibility criteria and the Fund priorities.
- D. On April 19, 2007, the North Sacramento Redevelopment Advisory Committee (RAC) recommended funding the following four existing applications to the City's Alley Abatement Program to close alleys in the North Sacramento Redevelopment Area:
- Alley bound by Santiago, Evergreen, Lexington, and Fianza;
 - Alley bound by Del Paso, Fairfield, Calvados, and Oxford;
 - Alley bound by Fairfield, Winnipeg, El Monte, and Del Paso; and
 - Alley bound by Forrest, Winnipeg, El Monte, and Del Paso.
- E. It is also intended that this action establish a budget with no current authorization for use of the remaining funds. No funding is allocable to any specific project or activity until such time as the project or activity has been brought to the Agency for consideration of the appropriateness of the use of redevelopment funds and the making of all necessary findings, including environmental review findings and findings regarding the use of redevelopment funds for public works projects.

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

Section 1. In accordance with California Redevelopment Law Section 33445, the Redevelopment Agency of the City further finds and determines that:

- (a) The proposed action, closure of four alleys (the proposed project), benefits the Redevelopment Project Area by furthering the goals of the North Sacramento Five-Year Implementation Plan adopted by the Sacramento City Council, which specifies the elimination of residential blighting conditions as a priority in the Project Area.
- (b) The Redevelopment Project Area has a high crime rate that constitutes a serious threat to the public safety and welfare. The proposed action would eliminate blight through reduction of criminal activity with this alley closure project in alleys where many criminal activities currently take place.
- (c) There are no other reasonable means available to the community to finance the Alley Abatement Program's matching fund.

Section 2. The Executive Director is authorized to amend the Agency's budget to allocate \$20,000 of the 1999 tax exempt, tax allocation revenue bonds to the North Sacramento Minor Infrastructure and Special Projects Fund.

Section 3. The Executive Director is authorized to enter into an IPA with the City of Sacramento for the closure of four alleys to be funded by \$12,000 from the North Sacramento Minor Infrastructure and Special Projects Fund.

