



**Sacramento
Housing &
Redevelopment
Agency**

REPORT TO REDEVELOPMENT AGENCY
City of Sacramento
 915 I Street, Sacramento, CA 95814-2671
www.CityofSacramento.org

Consent
 December 18, 2007

Honorable Chair and Members of the Redevelopment Agency

Title: Agreements and Budget Allocations for Basin 31 Detention Basin at 65th Street and Broadway

Location/Council District: Near the intersection of 65th Street and Broadway, adjacent to Redding Avenue; 65th Street Redevelopment Project Area; Council District 6

Recommendation: 1) Adopt a **Redevelopment Agency Resolution** a) amending the 2007 SHRA budget to transfer \$1,925,000 of 2006 65th Street Taxable Bond funds to Basin 31 Detention Basin at 65th Street and Broadway Project; b) authorizing the Executive Director to execute a loan agreement with the City of Sacramento in the amount of \$1,925,000 for the Basin 31 Detention Basin at 65th Street and Broadway Project; c) allocating annually, an amount not to exceed \$200,000 for 30 years from 65th Street Redevelopment Area tax increment revenue to the Basin 31 Detention Basin at 65th Street and Broadway Project; d) authorizing the Executive Director to execute an Individual Project Agreement (IPA) with the City of Sacramento for the annual repayment in the amount not to exceed \$200,000 for the Basin 31 Detention Basin at 65th Street and Broadway Project California and Economic Development Bank (I-Bank) loan; e) authorizing the Executive Director to execute an IPA with the City of Sacramento for the purchase and transfer of park facilities and future designation of funds by the City; and f) make related findings.

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

Presenters: Not applicable.

Department: Sacramento Housing and Redevelopment Agency

Description/Analysis

Issue: The inadequate storm drainage capacity in the 65th Street Redevelopment Area is limiting the redevelopment opportunities of several large parcels in the area near 65th Street and Broadway. Without consolidated detention facilities for the area, each new development would be required to provide on site facilities.

Basin 31 Detention at 65th Street and Broadway

The Basin 31 Detention Basin Project at 65th Street and Broadway (Project) involves the construction of a 5.44 acre drainage detention basin situated on two parcels totaling 6.95 acres. The two properties are located near the intersection of 65th Street and Broadway and are within one half mile of the 65th Street Light Rail Station. The Project is designed to provide protection from a 100-year storm event, reduce flooding in the basin area, provide infrastructure for future redevelopment, and allow for public recreation uses.

The budget for acquisition and construction of the detention basin is \$4.1 million. The Project will be funded using a \$3.5 million loan from the California and Economic Development Bank (I-Bank) Infrastructure State Revolving Fund Program and \$600,000 in Workforce Housing funds.

The City has submitted a funding application to the I-Bank, and their Board meeting to consider the application is tentatively scheduled for December 20, 2007. If approved, these funds would be disbursed on a reimbursement basis early next year. However, the City Department of Utilities has a purchase agreement with the property owner to buy the two parcels for \$1,925,000 by the end of the year. Therefore, a bridge loan is needed to complete the acquisition of the properties. Repayment of the bridge loan would occur in early 2008 when the I-Bank loan is disbursed. Additionally, the City Department of Utilities does not have adequate funding to repay the I-Bank loan from their Storm Drainage Fund.

Policy Considerations: This Project is consistent with the 65th Street Redevelopment Plan to improve the storm drainage infrastructure and the goals and objectives outline in the 65th Street Implementation Plan (2004 – 08) to remediate inadequate improvements, facilities and utilities. It is also consistent with the South 65th Street Area Plan and the 65th Street/University Transit Village Plan, and the Parks and Recreation Programming Guide. Establishing park land is consistent with the City's strategic plan to enhance livability in Sacramento's neighborhoods by expanding park, recreation, and trail facilities throughout the City.

Environmental Considerations: The City of Sacramento as the lead agency under the California Environmental Quality Act (CEQA) has prepared and approved a Negative Declaration and Mitigation Monitoring Plan for the 65th Street and Broadway Detention Basin Project, and the Agency as responsible agency approved the Negative Declaration and Mitigation Monitoring Plan on July 17, 2007. National Environmental Policy Act (NEPA) does not apply.

Basin 31 Detention at 65th Street and Broadway

Committee/Commission Action: *65th Street Redevelopment Advisory Committee (RAC):* At its October 24, 2007 meeting, the RAC adopted a motion recommending approval of the attached resolutions. The votes were as follows:

AYES: Billingsley, Clady, Garcia, Jones, Maleske, O'Mara, O'Toole, Sikich

NOES: None

ABSENT: Arnold, Little, Lopez, Stevens, Wilson

Sacramento Housing and Redevelopment Commission: At its meeting of November 14, 2007, the Sacramento Housing and Redevelopment Commission considered the staff recommendation for this item. The votes were as follows:

AYES: Burruss, Chan, Fowler, Hoag, Otto, Piatkowski, Stivers.

NOES: None.

ABSENT: Coriano, Dean, Gore, Shah.

Rationale for Recommendation: The Project will provide for needed drainage and recreational facilities which will assist current and future development of the 65th Street Redevelopment Area. Therefore, the Departments of Parks and Recreation, Utilities and the Agency are seeking to partner in order to provide a short-term and long-term funding mechanism for the Project. This coordinated funding from the Agency and the City will help build facilities needed for future critical transit oriented development near the 65th Street Light Rail Station.

The City anticipates the \$3.5 million I-Bank loan will be approved in December 2007. Additionally, the City will be receiving a State of California Workforce Housing Grant of \$600,000 for this Project. Both funding sources are disbursed on a reimbursement basis and the City will need funds to purchase the property in December.

Financial Considerations: The Project costs for acquisition and development of the detention basin are \$4.1 million to be funded by a \$3.5 million I-Bank loan and a \$600,000 Workforce Housing Grant. This report recommends a bridge loan from the Agency of \$1,925,000 in 2006 65th Street Taxable Bond funds to the City for acquisition of the two properties. The loan will be repaid with the I-Bank loan in early 2008.

The report also recommends an annual allocation of approximately \$200,000 of 65th Street tax increment for 30 years towards repayment of the I-Bank loan thus allowing for future redevelopment in the 65th Street Redevelopment Area. If a storm drainage development impact fee is adopted by the City Council, the City has agreed to provide the Agency with fee credits that may be used to pay the drainage development impact fee in the redevelopment area.

December 18, 2007

Basin 31 Detention at 65th Street and Broadway

M/WBE and S/EBE Considerations: The items discussed in this report have no M/WBE or S/EBE impacts; therefore, M/WBE and S/EBE considerations do not apply.

Respectfully Submitted by: 
ANNE M. MOORE
Executive Director

Recommendation Approved:


for RAY KERRIDGE
City Manager

Table of Contents

Report	pg. 1
Attachments	
1 Background	pg. 5
2 Map	pg. 6
3 Redevelopment Agency Resolution	pg. 7

Background

Basin 31 Detention Basin at 65th Street and Broadway Project

Project Description:

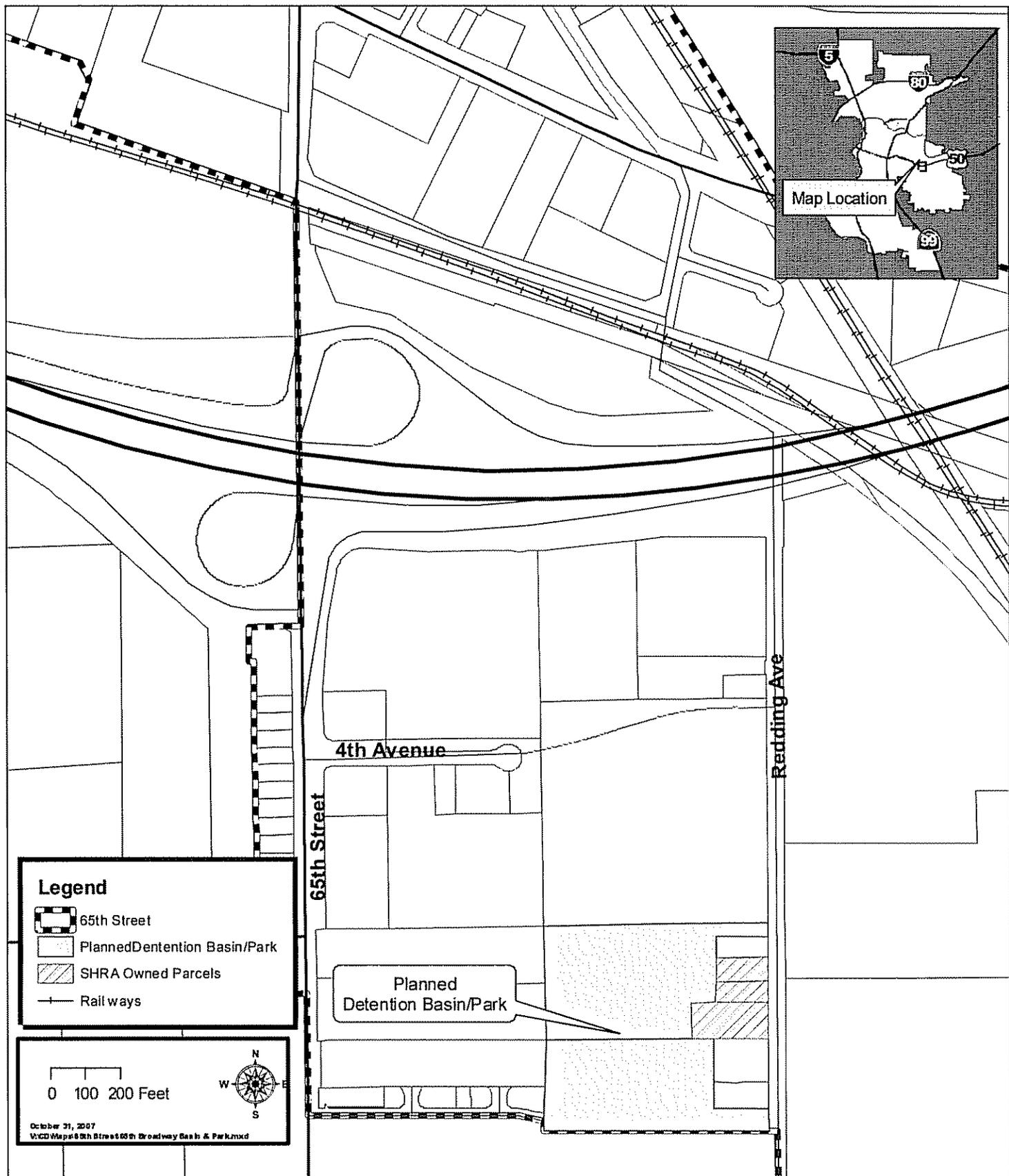
The approved **Basin 31 Detention Basin at 65th Street and Broadway** (Project) involves the construction of a 5.44 acre drainage detention basin situated on two parcels totaling 6.95 acres. The Project is to be located on two parcels that are privately-owned (015-0091-044 and -045). Construction of the Project includes the excavation of a 17 foot deep basin with a capacity to hold 22.3 acre-feet of storm runoff. The Project will contain an overflow weir to prevent runoff from small frequent storms entering the detention basin, and will include gravity-drainage via an existing 66-inch pipe located in 65th Street. The Project is designed to provide protection from a 100-year storm event, and allow for public recreation uses. A Park Master Plan will be developed and will specify the type, location, costs and development schedule for the recreational facilities.

The City Council approved the Project including a Resolution of Necessity to acquire the property by eminent domain in December 2005. On October 17th, the parties met in mediation and a tentative agreement was reached for the purchase of the property for \$1,925,000.

In addition, the Agency has purchased 3012, 3020 and 3030 Redding Avenue to be added to the park facilities. The Parks and Recreation Department has funds to prepare a Park Master Plan, but no construction funds. Additionally, there are two properties which may be appropriate for addition to the Project and utilized for recreational activities if funds were available. The Parks and Recreation Department proposes to designate future Park Impact Fees and Quimby Fees generated in the 65th Street Redevelopment Area for the acquisition of additional parcels for the 65th Street and Broadway Park Project and future development of park features for a period of 10 years.



65th Street and Broadway Detention Basin and Park



RESOLUTION NO. 2007 -

Adopted by the Redevelopment Agency of the City of Sacramento

on date of

THE BASIN 31 DETENTION BASIN AT 65TH STREET AND BROADWAY PROJECT RELATED BUDGET AMENDMENT; AUTHORIZATION TO EXECUTE TWO INDIVIDUAL PROJECT AGREEMENTS; AUTHORIZATION TO EXECUTE A LOAN AGREEMENT; RELATED FINDINGS

BACKGROUND

- A. The Infrastructure Improvements component of the 65th Street Five-Year Implementation Plan includes the detention basin and park development which support higher-density development.
- B. The Agency considers it desirable to provide an amount not to exceed \$200,000 in tax increment annual funding for the repayment of the I-Bank loan used to acquire and construct the Basin 31 Detention Basin at 65th Street and Broadway Project (Project), and to provide a loan of \$1,925,000 from 2006 65th Street Taxable Bond funds for the purchase of property, which will provide funding the City has determined it does not currently have available for the Project.
- C. The City of Sacramento as the lead agency under the California Environmental Quality Act (CEQA) has prepared and, on December 13, 2005, adopted a Mitigated Negative Declaration and Mitigation Monitoring Plan for the 65th Street and Broadway Detention Basin Project ("Mitigated Negative Declaration") and on July 17, 2007 the Agency as responsible agency approved the Mitigated Negative Declaration. 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. All of the evidence presented having been duly considered, the findings, as stated above, are approved. The Mitigated Negative Declaration has been approved and adopted.
- Section 2. In accordance with California Redevelopment Law Section 33445, the Agency further finds and determines that:
 - (a) The Project will benefit the 65th Street Project Area by providing protection from a 100-year storm event, reduce flooding in the basin area, provide infrastructure for future redevelopment, and

provide new public recreation uses in the East Broadway Planning Area which is currently park deficient.

- (b) No other reasonable means of financing the Project are available to the community.
- (c) The funding for the project is consistent with the goals of the 65th Street Five-Year Implementation Plan adopted by the Sacramento City Council, which includes eliminating blight by funding infrastructure improvements to support higher-density development envisioned in the Transit Village Plan and as identified in the Infrastructure Needs Assessment.

Section 3. The Executive Director, or her designee, is authorized to amend the Agency's budget to allocate \$1,925,000 in 2006 65th Street Taxable Bond funds to the 65th Street and Broadway Detention Basin Project and allocate an amount not to exceed \$200,000 in 65th Street tax increment to the Basin 31 Detention Basin at 65th Street and Broadway Project annually for 30 years.

Section 4. The Executive Director or her designee is authorized to execute a Loan Agreement in the amount of \$1,925,000 with the City of Sacramento to implement the 65th Street and Broadway Detention Basin and Park Project.

Section 5. The Executive Director or her designee is authorized to execute an Individual Project Agreement with the City of Sacramento to implement the Basin 31 Detention Basin at 65th Street and Broadway Project.

Section 6. The Executive Director or her designee is authorized to execute an Individual Project Agreement with the City of Sacramento for the purchase and transfer of park facilities and future designation of funds by the City.