



**REPORT TO CITY COUNCIL AND
REDEVELOPMENT AGENCY**

City of Sacramento

915 I Street, Sacramento, CA 95814-2671

www.CityofSacramento.org

CONSENT

November 8, 2005

Honorable Mayor and
Members of the City Council
and Redevelopment Agency
of the City of Sacramento
Sacramento, California

Subject: ALLOCATION OF \$1,600,000 FOR DEVELOPMENT OF THE PHASE II
EXPANSION OF THE OAK PARK COMMUNITY CENTER

Location/Council District: Oak Park Community Center, 3425 Martin Luther King Jr.
Boulevard, Council District 5

Recommendation: Staff recommends adoption of the attached Redevelopment
Agency resolution on page 6, which authorizes the Executive Director or her designee
to:

- Amend the Sacramento Housing and Redevelopment Agency (Agency) budget to transfer \$102,800 of Oak Park 1999 Tax Exempt Capital Improvement Revenue Bond (CIRB) funds previously allocated to the Broadway/Stockton Master Plan Streetscape Improvements to the Oak Park Community Center Phase II Expansion project;
- Amend the Agency budget to transfer \$50,000 of Oak Park 1999 Tax Exempt Capital Improvement Revenue Bond (CIRB) funds previously allocated to the Oak Park Historic District to the Oak Park Community Center Phase II Expansion project;
- Amend the Agency budget to transfer \$294,130 of Oak Park 1999 Tax Exempt Capital Improvement Revenue Bond (CIRB) funds previously allocated to Development Assistance to the Oak Park Community Center Expansion project to the Oak Park Community Center Phase II Expansion project;
- Appropriate \$1,153,070 of the 2005 tax allocation revenue bonds (scheduled to be issued prior to the end of the year) to the Oak Park Community Center Phase II Expansion project; and
- Authorize the Agency to enter into an Individual Project Agreement (IPA) with the City of Sacramento to complete the project.

Contact: Lisa Bates, City Community Redevelopment Director, 440-1316
Chris Pahule, Redevelopment Manager, 440-1399 x1442

Presenter: Chris Pahule, Redevelopment Manager, 440-1399 x1442

Department: Sacramento Housing and Redevelopment Agency

Summary:

This report recommends an amendment to the Agency budget for the transfer of \$1.6 million to the City of Sacramento for the Phase II expansion of the Oak Park Community Center. Additional project funding sources include \$3.0 million from the State of California through the Proposition 40 Urban Park Act Program and \$400,000 from the City's Park Development Impact Fees for a total project budget of \$5 million.

RAC Action: At its meeting on September 14, 2004, the Oak Park Redevelopment Advisory Committee adopted a motion recommending approval of the allocation of \$1,600,000 for the Phase II Oak Park Community Center expansion. The votes were as follows:

AYES: Aungst, Curry-Evans, Davis, Ganson, Hilbert, McDonald, Straub, Thomas

NOES: None

ABSENT: Lackey, Lor, Redmond, Taylor

ABSTENTION: None

Commission Action: At its meeting on October 19, 2005, the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolution. The votes were as follows:

AYES: Burns, Burruss, Fowler, Gale, Gore, Hoag, Piatkowski, Shah, Stivers.

NOES: Coriano.

ABSENT: Simon.

Background Information:

In August 2004, Phase I of the Oak Park Community Center expansion was completed and includes an upgrade of the existing restrooms, additional staff offices, new mechanical equipment and a new 2,400 square foot weightroom.

In late 2003, Department of Parks and Recreation staff applied for, and in October 2004, received \$3 million from the State of California's Urban Park Act program for the second phase of the Oak Park Community Center expansion. The second phase

proposes a new 9,400 square foot multi-purpose building with basketball/volleyball courts and bleachers.

The City's original application to the State requested \$3 million, however, because of escalating construction costs within the last 18 months and the need for additional site work, the project cost increased to approximately \$5 million.

In March 2005, the City Council approved a City report to accept the \$3 million from the State and direct staff to identify approximately \$2 million in funding to complete the project including Redevelopment funds and other City park funds.

Financial Considerations: This report recommends that the Agency budget be amended to transfer \$102,800 of Oak Park 1999 Tax Exempt Capital Improvement Revenue Bond (CIRB) funds previously allocated to the now completed Broadway/Stockton Master Plan Streetscape Improvements; \$50,000 of Oak Park 1999 Tax Exempt Capital Improvement Revenue Bond (CIRB) funds previously allocated to the Oak Park Historic District, which is now funded with City funds; \$294,130 of Oak Park 1999 Tax Exempt Capital Improvement Revenue Bond (CIRB) funds previously allocated to Development Assistance to the Oak Park Community Center Expansion project; and allocate \$1,153,070 of the 2005 tax allocation revenue bonds to the Oak Park Community Center Expansion project, for a total of \$1.6 million. Approval of the Oak Park Bond Issuance, estimated at \$20 million, is scheduled for the October 25, 2005 City Council meeting. These funds will provide the required matching funds necessary for the Phase II expansion of the Oak Park Community Center.

Environmental Considerations: The Oak Park Phase II Improvements Project was evaluated by the City of Sacramento and it determined that the project will not have a significant impact on the environment and a Mitigated Negative Declaration was ratified in compliance with Section 15070(B)1 of the California Environmental Quality Act (CEQA) Guidelines. The Agency, as a responsible agency under CEQA, concurs with the City's determination and no further environmental review is required. The National Environmental Policy Act does not apply.

Policy Considerations: The Oak Park Community Center expansion project is consistent with community development goals for the Oak Park Redevelopment Area Implementation Plan. The project meets the following objective in the Oak Park Redevelopment Area Implementation Plan: Promote cultural facilities as a component of visitor attractions in the Oak Park area.

This report is also consistent with the City's Strategic Plan goal to preserve and expand the arts and culture, open space, urban forest, parks, and recreation opportunities. The proposed action supports the Guiding Principle of that goal which states that the City should sustain existing community priority programs/facilities before committing resources to expand or grow new programs/facilities.

M/WBE Considerations: The proposed project does not include the use of Federal funds; therefore, M/WBE considerations do not apply.

November 8, 2005

Respectfully Submitted by: 
ANNE M. MOORE
Executive Director

Recommendation Approved:

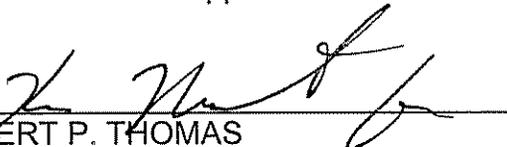
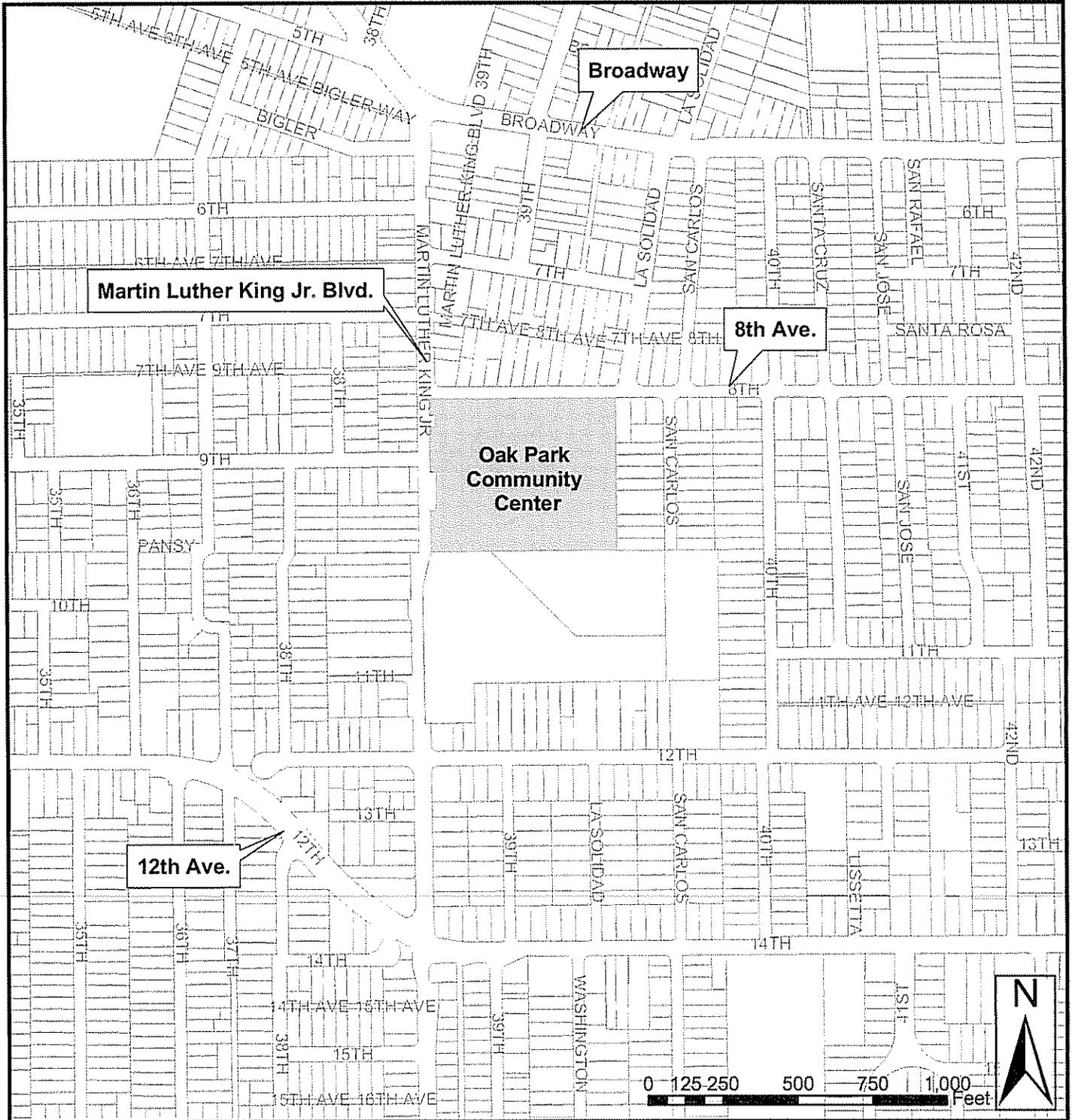

ROBERT P. THOMAS
City Manager

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**Oak Park Community Center
Phase II Expansion
Project Location Map**

Legend

 Oak Park Community Center
3425 Martin Luther King Blvd


Sacramento
Housing &
Redevelopment
Agency

RESOLUTION NO. 2005 -

Adopted by the Sacramento City Council

ALLOCATION OF \$1,600,000 FOR DEVELOPMENT OF THE PHASE II EXPANSION OF THE OAK PARK COMMUNITY CENTER

BACKGROUND

- A. The first phase of the Oak Park Community Center Expansion ("Project") was recently completed.
- B. In October 2003, the City Council supported the preparation of a Proposition 40 grant proposal through the State of California's Urban Park Act for the second phase of the Oak Park Community Center expansion.
- C. In October 2004, the City of Sacramento ("City") was awarded the maximum grant award of \$3 million for the second phase of the Oak Park Community Center expansion.
- D. In March 2005, the City Council approved a report from the Department of Parks and Recreation to accept the \$3 million from the State and identified the need for approximately \$2 million to complete Phase II of the Project.
- E. The City does not have sufficient funding to pay the remaining Project costs, the City has allocated all of its available funding to the Project, and the City Council finds that there are no other feasible alternative sources of funding available.
- F. The Redevelopment Agency of the City of Sacramento ("Agency") is willing to allocate tax increment funding for completion of the Project in order to benefit the Oak Park Redevelopment Project Area.

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, as stated in this resolution and the staff report that accompanies this resolution, are approved.
- Section 2. The City Manager, or his designee, is authorized to enter into Individual Project Agreements ("IPA") with the Redevelopment Agency of the City of Sacramento for Phase II of the Oak Park Community Center Expansion Project to accept \$1.6 million in Agency funding, or such other funding amount as the Agency may reasonably authorize, for construction of the Project, and is authorized to take all actions and execute such instruments as may be necessary to implement the IPA.

RESOLUTION NO. 2005 -

Adopted by the Redevelopment Agency of the City of Sacramento

ON DATE OF

ALLOCATION OF \$1,600,000 FOR THE PHASE II EXPANSION OF THE OAK PARK COMMUNITY CENTER AND RELATED BUDGET AMENDMENT

BACKGROUND

- A. The first phase of the Oak Park Community Center Expansion ("Project") was recently completed.
- B. The second phase of the Project is estimated to cost \$5 million and the City of Sacramento ("City") has obtained \$3 million in funding through the State of California's Urban Park Act funds.
- C. The City Council has determined that it does not have sufficient funding to pay the remaining Project costs and that there are no other feasible alternative sources of funding available.
- D. The Project is located within the Oak Park Redevelopment Project Area and the expansion will benefit the Project Area residents. The public improvements are of benefit to the Oak Park Project Area and the immediate neighborhood in which the Project Area is located. The Project will further the goals of the Oak Park Redevelopment Plan by improving public facilities and eliminating blighting conditions inside the Project Area, and the improvements are consistent with the adopted Implementation Plan for the Project Area.

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

- Section 1. After due consideration of the facts presented, the findings, including the environmental findings regarding this action, as stated in this resolution and the staff report that accompanies this resolution, are approved.
- Section 2. The Sacramento Housing and Redevelopment Agency's Budget is hereby amended as follows:
 - A. Transfer \$102,800 of Oak Park 1999 Tax Exempt Capital Improvement Revenue Bond (CIRB) funds from the Broadway/Stockton Master Plan Streetscape Improvements to the Oak Park Community Center Phase II Expansion Project;
 - B. Transfer \$50,000 of Oak Park 1999 Tax Exempt Capital Improvement Revenue Bond (CIRB) funds from the Oak Park Historic District to the Oak Park Community Center Phase II Expansion Project; (7)

- C. Transfer \$294,130 of Oak Park 1999 Tax Exempt Capital Improvement Revenue Bond funds from Oak Park Developer's Assistance to the Oak Park Community Center Phase II Expansion Project; and
- D. Appropriate \$1,153,070 of the 2005 tax allocation revenue bonds (scheduled to be issued prior to the end of the year) to the Oak Park Community Center Phase II Expansion Project.

Section 3. The Agency Executive Director, or her designee, is authorized to enter into Individual Project Agreements ("IPA") with the City of Sacramento for Phase II of the Oak Park Community Center Expansion Project to provide \$1.6 million in Oak Park bond and tax increment funding for construction of this Project, and is authorized to take all actions and execute such instruments as may be necessary to implement the IPA.