

PLACER COUNTY
REDEVELOPMENT AGENCY

MEMORANDUM

TO: Honorable Members of the Redevelopment Agency Board
FROM: Richard E. Colwell, Chief Assistant CEO–Redevelopment Director *RE Colwell*
Rae James, Deputy Director
DATE: April 17, 2007
SUBJECT: Adopt a Resolution Approving an Agreement between the Redevelopment Agency and the Public Works Department for the Management and Construction of the Hulbert Way Road Improvement Project in a Not To Exceed Amount of \$4,000,000 and Authorize the Chief Assistant CEO–Redevelopment Director or Designee to Execute the Agreement and all Related Documents subject to Agency Counsel Review.

ACTION REQUESTED

Adopt a resolution approving an agreement between the Redevelopment Agency (Agency) and the Public Works Department (Public Works) for the management and construction of the Hulbert Way Road Improvement Project in a not to exceed amount of \$4,000,000 and authorize the Chief Assistant CEO–Redevelopment Director or designee to execute the agreement and all related documents subject to Agency Counsel review.

BACKGROUND

In June 2005, the County received a \$1,888,397 Community Development Over-the-Counter (OTC) Block Grant and, in January 2006, the Agency received a \$1,500,000 loan from the State of California Infrastructure and Economic Development Bank (IBank) to support the construction of the Hulbert Way Road Improvement Project (Project). The remaining Project funds are derived from Agency tax increment dollars and developer contributions received from Public Works. The total cost of the Project is estimated to be \$3,800,000.

The Project is located primarily along State Highway 49 between Luther Road and New Airport Road and consists of roadway and landscaping improvements, road widening, installation of turn lanes, drainage improvements, retaining walls, and a traffic signal (See Exhibit A–Map). It is anticipated that construction of the Project will be completed in 2008.

The Project will support the development of Auburn Plaza (Development), which will provide approximately 75,000 square feet of new commercial and retail space in the North Auburn Redevelopment Project Area. As a condition of the Project's OTC funding source, the Development must create at least fifty-four (54) full time equivalent jobs no later than October 31, 2008.

The Agency seeks your Board approval to enter into an Interagency Project Management Agreement (Agreement) in the not to exceed amount of \$4,000,000 with Public Works for the management, including advertising, bidding, construction management, and construction of the Project. The Agreement facilitates the transfer of Agency funds to the County, and includes all construction and project management costs estimated at \$3,587,160 plus a 10% contingency

bringing the total to approximately \$4,000,000. Public Works will follow standard County procedures in administering this Project, including all applicable Public Contract Law. The Agreement is on file with the Clerk of the Board.

Public Works has previously managed, on behalf of the Agency, the construction of the Brook Avenue Public Parking Lot in Kings Beach and the Jackpine Public Parking Lot in Tahoe City, and is currently managing the design and construction of the Tahoe City Marina Public Parking facility, and the design and construction of the Minnow and Salmon Avenue Public Parking Lots.

ENVIRONMENTAL STATUS

The Planning Commission approved the Environmental Impact Report for Auburn Plaza (EIAQ 3697) on April 14, 2005. Proposed transportation improvements were approved as mitigation measures associated with Auburn Plaza. A Finding of No Significant Impact was determined under the National Environmental Policy Act (NEPA) for the Project. This administrative action to finance the Project does not constitute a project under California Environmental Quality Act guidelines, section 15378(b)(3), and is exempt from NEPA per 24 CFR Part 58.34 (a) (1) and (a) (3).

FISCAL IMPACT

The Agreement is an amount not to exceed \$4,000,000. The Agency has received a \$1,888,397 OTC block grant award and an IBank loan in the amount of \$1,500,000 to support the Project. The remaining funds for the Project are derived from previously budgeted North Auburn Redevelopment Project Area Tax Increment Funds and Public Works developer contributions. There is no impact to the County's General Fund.

RECOMMENDATION

Adopt a resolution approving an agreement between the Agency and Public Works for the management and construction of the Project in a not to exceed amount of \$4,000,000 and authorize the Chief Assistant CEO-Redevelopment Director or designee to execute the agreement and all related documents subject to Agency Counsel review.

Attachment:
Exhibit A: Map

A copy of the agreement is available for review at the Clerk of the Board's Office.

cc: Sabrina Thompson, Agency Counsel

**Before the Placer County
Redevelopment Agency Board of Directors
County of Placer, State of California**

In the matter of:

Adopt a resolution approving an agreement between the Redevelopment Agency and the Public Works Department for the management and construction of the Hulbert Way Road Improvement Project in a not to exceed amount of \$4,000,000 and Authorize the Chief Assistant CEO-Redevelopment Director or designee to execute the agreement and all related documents subject to Agency Counsel review.

Resol. No:.....

Ord. No:.....

First Reading:

The following Resolution was duly passed by the Redevelopment Agency Board of the County of Placer at a regular meeting held April 17, 2007,

by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Attest:
Clerk of said Board

Chair, Agency Board

WHEREAS, the Placer County Redevelopment Agency (Agency) has adopted the North Auburn Redevelopment Project Area (Project Area), the North Auburn Redevelopment Plan, and the Implementation Plan for the North Auburn Redevelopment Project Area (Project Area and Plans); and

WHEREAS, the Agency is responsible for administering the Project Area and Plans to effectuate redevelopment efforts within the Project Area; and

WHEREAS, the Agency is administering on behalf of the County of Placer (County) a State of California Community Development Block Grant (CDBG) Over-The-Counter program grant for

public improvement and the Agency has applied for and received a loan from the State of California Infrastructure and Economic Development Bank to finance the costs of the Hulbert Way Road Improvement Project (Project); and

WHEREAS, the Project consists of road widening, turn lanes, installation of a traffic signal, drainage improvements, and retaining walls primarily along State Highway 49 between Luther Road and New Airport Road, and roadway and landscaping improvements located along Hulbert Way; and

WHEREAS, the Project will assist in the elimination of blight in that it attracts new commercial activity and creates new jobs. The Project is consistent with the goals and objectives of the Project Area and Plans which is to assist in the development of underdeveloped or poorly developed areas, that are underutilized, or improperly utilized and to improve access and circulation within the Project Area; and

WHEREAS, the Agency finds and determines that the public interest and necessity requires renewed development and occupancy in the Project Area; that the Project is planned and located in a manner that will be most compatible with the greatest public good and the least private injury; that the Project could not occur without redevelopment assistance; and

WHEREAS, pursuant to Health & Safety Code section 33128, the Agency has adopted the strategy of entering into agreements with the Placer County Public Works Department (Public Works) to staff, administer, and manage bidding, design, and construction on various capital projects funded by the Agency; and

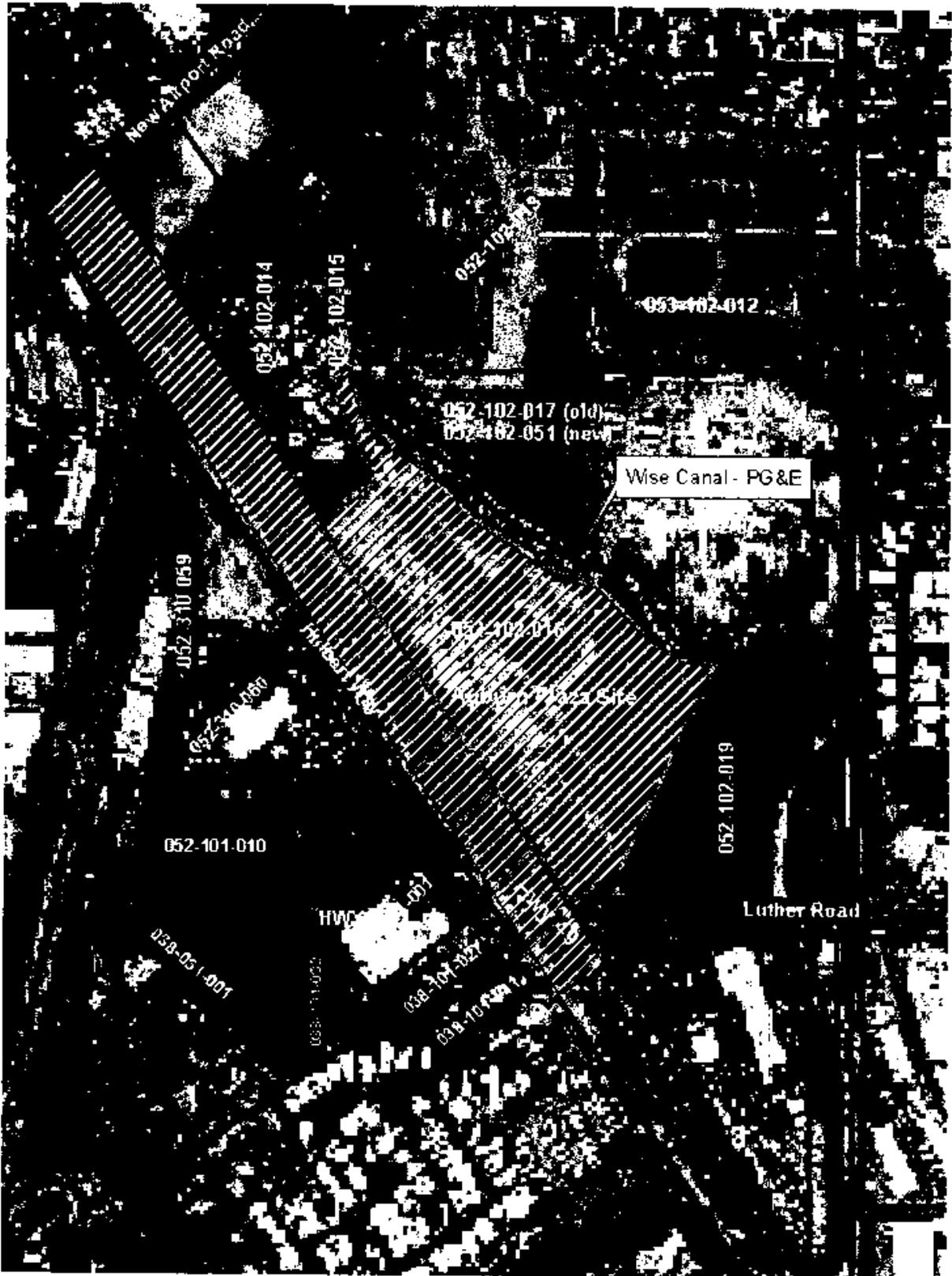
WHEREAS, on January 10, 2006, the Board of Supervisors and Agency Board made the findings required by Section 33445 of the Community Redevelopment Law to permit the Agency to pay for the costs of the public improvements; and

WHEREAS, the Planning Commission of the County of Placer approved the Environmental Impact Report for the Auburn Plaza project (EIAQ-3697) on April 14, 2005 in which the Project was determined to satisfy needed mitigation measures to the Auburn Plaza development. Findings of No Significant Impact were determined for the Project under National Environmental Policy Act (NEPA) guidelines. This administrative application to finance the Project does not constitute a project under California Environmental Quality Act Guidelines, Section 15378(b)(3), and is exempt from NEPA per 24 CFR Part 58.34(a)(1) and (a)(3).

NOW, THEREFORE, BE IT RESOLVED by the Agency Board that after due consideration of the facts presented, the findings including but not limited to the environmental findings regarding this action, as stated in the staff report that accompanies this resolution are approved.

BE IT FURTHER RESOLVED by the Agency Board that the Interagency Project Management Agreement with the County of Placer Department of Public Works is approved and the Chief Assistant CEO-Redevelopment Director or his designee is authorized to execute the agreement and all related amendments in a not to exceed amount of \$4,000,000, subject to Agency Counsel review.

BE IT FURTHER RESOLVED by the Agency Board that this resolution shall become effective immediately upon adoption.



Auburn Plaza

Map Drawn by Joyce A. Pope

9-28-05

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