Agenda Item Number: 5
(This Section for use by Clerk of the Board Only.)

County of Sonoma
Agenda Item
Summary Report

Agenda Item Number: 5

To: Board of the Successor Agency to the Sonoma County Community Redevelopment Agency, Board of Commissioners, and Board of Supervisors

Board Agenda Date: June 14, 2016

Vote Requirement: Majority

Department or Agency Name(s): Sonoma County Community Development Commission, Department of Transportation and Public Works

Staff Name and Phone Number: Kathleen H. Kane, 565-7505
Susan Klassen, 565-2440

Supervisory District(s): 1

Title: Inter-Agency Agreement between the Sonoma County Community Development Commission and the Department of Transportation and Public Works for Highway 12 Parking Mitigation

Recommended Actions:

Authorize the Executive Director of the Sonoma County Community Development Commission and the Director of the Department of Transportation and Public Works to execute an agreement for $1,373,153 from former Redevelopment Successor Agency Funds for parking mitigation as set forth in the 2011 Public Improvements Agreement for the Highway 12 Project.

Executive Summary:

Approval of this agenda item will authorize the Executive Director of the Sonoma County Community Development Commission (CDC) and the Director of the Department of Transportation and Public Works (DTPW) to execute an Inter-Agency Agreement for $1,373,153 in funds from the Successor Agency to the Sonoma County Community Redevelopment Agency, which will comprise a subcontract with the CDC to complete the parking mitigation work set forth in the Highway 12 Improvements Agreement between the DTPW and the Successor Agency. The CDC will use the subcontracted Successor Agency funds in combination with $826,847 in Reinvestment and Revitalization (R&R) funds that will flow directly to the CDC to complete the planned $2.2 million in parking mitigation work set forth in the original Highway 12 Improvements Agreement.

Background

In 2011, your Board approved an agreement between the CDC and DTPW to provide $13,003,490 in Redevelopment funds for completion of the Highway 12 Improvements project, including street lighting and sidewalks, as well as roadway improvements. Under this Agreement, $2.2 million was earmarked for parking mitigation, which was desired to partially replace parking resources lost through the widening of Highway 12 from Boyes Boulevard to Agua Caliente Road.
In February 2012, enactment of the Redevelopment Dissolution Act eliminated all redevelopment agencies and voided all agreements between redevelopment agencies and their sponsoring communities. In March 2012, the Oversight Board for the Successor Agency exercised its authority under the Dissolution Act to approve the Successor Agency’s request to re-enter into the Highway 12 Improvements Agreement with DTPW to complete the work for the benefit of the community and local taxing entities. The State Department of Finance disputed the validity of the re-entered Agreement; however, subsequent litigation upheld the Agreement as a valid, enforceable obligation of the Successor Agency, which made funding available from existing post-Redevelopment cash reserves and new receipts of Redevelopment Property Tax Trust Fund (RPTTF).

**Inter-Agency Agreement**

DTPW is nearing completion of the basic Highway 12 roadway improvements and installation of lighting, curb, gutters, and sidewalks. Staff anticipates completion of this work by the end of 2016, at a total cost of $11,630,337, leaving a balance of $1,373,153 in redevelopment funds available for parking mitigation. DTPW’s core responsibilities are related to roadway projects, and collateral initiatives such as the parking mitigation portion of the Highway 12 Agreement are not as high a priority for the Department. DTPW does not currently have the staff resources available to move this aspect of the Highway 12 project forward to completion. The CDC has sufficient expertise internally and consultant resources to manage this element of the Highway 12 Improvements Project.

Under the proposed Inter-Agency Agreement, the CDC will use the remaining $1,373,153 for the creation of additional parking resources in the Highway 12 corridor, from Boyes Boulevard to Agua Caliente Road. The CDC will identify potential parking locations, negotiate the terms of potential acquisition, and to the extent funding is available, contract for development of parking lots on these locations. Any property acquired for parking will be purchased by the County of Sonoma, and the County will be responsible for all post-development duties and costs associated to ownership and maintenance of the parking lots.

**R&R Funding Augmentation**

On March 29, 2016, recognizing that the remaining redevelopment funding for Highway 12 will be received by the Successor Agency over the course of the next three years, your Board approved up to $1,131,878 in Reinvestment & Revitalization (R&R) funds to provide cash flow for the parking mitigation work if the project progresses more quickly than RPTTF is received. These R&R funds are expected to be reimbursed to the County during fiscal years 2016-17 through 2018-19. As part of its action on March 29th, recognizing that the Highway 12 funding remaining after completion of the basic road work now falls short of the $2.2 million estimated parking mitigation budget, your Board also approved $826,847 in R&R funds to complete the parking mitigation work. These R&R funds will not be reimbursed by RPTTF, and will not be included in the Inter-Agency Agreement, as they will flow directly to the CDC rather than to the Successor Agency.

**Alternatives To Board Authorization To Execute Inter-Agency Agreement**

Your Board could choose to select another Department or contractor to perform this work, or could elect not to pursue parking mitigation efforts.
**Prior Board Actions:**

**03/29/16** – Approved $826,947 in R&R funds to fully fund the $2.2 million parking mitigation under the Successor Agency-DTPW Highway 12 Agreement.

**09/24/13** – Approved First Amendment to the Highway 12 Agreement, extending the term of the Agreement to December 31, 2016.

**02/28/12** – Approved Highway 12 Agreement.

**01/18/11** – Approved $13,003,490 Public Improvements Agreement for the Highway 12 Project.

**Strategic Plan Alignment**

**Goal 1: Safe, Healthy, and Caring Community**

Completion of the planned Highway 12 improvements, which includes the creation of parking resources in the former Springs Redevelopment Project Area, will enhance the health and safety of residents in the Springs Redevelopment Project Area, and help to improve the environment and economy of the Area.

**Fiscal Summary - FY 16-17**

<table>
<thead>
<tr>
<th>Expenditures</th>
<th>Funding Source(s)</th>
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<td>Budgeted Amount</td>
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<td>State/Federal</td>
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<td>Fees/Other</td>
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<td>Use of Fund Balance</td>
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<td>Contingencies</td>
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<td>R&amp;R</td>
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**Total Expenditure** $2,200,000

**Total Sources** $2,200,000

**Narrative Explanation of Fiscal Impacts (If Required):**

There is currently $826,847 approved by your Board in the R&R Five-Year Plan on March 29, 2016. $1,373,153 in FY 15-16 funds previously budgeted in the Successor Agency-DTPW Hwy 12 Improvements contract will have to be re-budgeted. The CDC will return to the Board to increase its appropriation authority for the full $2.2 million project during FY 2016-17 1st Quarter Consolidated Budget Adjustments.

**Staffing Impacts**

<table>
<thead>
<tr>
<th>Position Title (Payroll Classification)</th>
<th>Monthly Salary Range (A – I Step)</th>
<th>Additions (Number)</th>
<th>Deletions (Number)</th>
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**Narrative Explanation of Staffing Impacts (If Required):**

None.
<table>
<thead>
<tr>
<th><strong>Attachments:</strong></th>
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<tr>
<td>Inter-Agency Agreement between DTPW and CDC</td>
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<td><strong>Related Items “On File” with the Clerk of the Board:</strong></td>
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<td>None.</td>
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