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SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

CITY MANAGER'S OFFICE

RECEIVED
FEB 25 1981

February 19, 1981

Redevelopment Agency of the
City of Sacramento
Sacramento, California

Honorable Members in Session:

SUBJECT: Contract Amendment - Time Extension for Submission of
Final Construction Plans by 5th & "I" Associates -
5th-6th-I-J Office Complex

SUMMARY

The attached resolution authorizes the Executive Director to execute a contract amendment with 5th & "I" Associates which will extend the time schedule by six (6) months for the submission of final construction plans on the office complex to be developed on the 5th-6th-I-J Block.

BACKGROUND

By Resolution No. 2872 adopted on November 20, 1979 the Redevelopment Agency approved tentative selection of 5th and "I" Associates, a general partnership, as redevelopers of the above-mentioned site in Project 4. On January 2, 1980 the Redevelopment Agency approved final selection of 5th & "I" Associates by Resolution No. 2879. Included in that Resolution No. 2879 was authorization for the Chairman and Secretary of the Redevelopment Agency to execute the Contract of Sale which included a Schedule of Performance.

According to the Schedule of Performance (see Attachment I), final construction plans were due January 15, 1981, six months after approval of preliminary plans. However, a letter (see Attachment II) has been received from the Lee Sammis Company (a partner) requesting an additional four(4) months for the submission of final plans. The Redeveloper's request for additional time is due to the change in primary architectural services from Leason Pomeroy & Associates to the Spink Corporation with Leason Pomeroy & Associates remaining as a consulting architect. This change in architectural responsibility has resulted in a delay in the preparation of working drawings. A

APPROVED
SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

3-3-81

Date 3/3/81

(1)

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revised project schedule is attached for your information (see Attachment III).

As the project site has been identified by the City's Museum and History Department for inclusion under the City's pending Cultural Resources Master Plan for investigation of the Central Business District, it requires an archeological investigation to determine if an archeological dig is necessary. The Agency, under direction of the Assistant City Manager and the Director of the Museum and History Department, has prepared a consultant contract for the formation of the Cultural Resources Master Plan and site investigation for execution by the Museum and History Department between their selected consultant and the Agency. This contract has yet to be executed and the investigation commenced. The investigation to determine if an archeological dig is necessary requires a maximum of ten (10) weeks. Even if no dig is necessary, the requested four-month extension, considering it is from a January 15th date, will be none too long for completion of the investigation. If an archeological dig is required, the requested four-month extension will be insufficient for the solicitation of proposals, award of contract, and completion of the dig. Assuming the Redeveloper stays on schedule and requires no more than the requested four-month extension and a dig is necessary, the Agency will be placed in the position of delaying the Redeveloper's construction for the period of time it takes to complete the archeological work. It is estimated, based upon past experience with the archeological digs on the Holiday Inn and Liberty House sites, that if a dig is necessary it will require approximately two (2) months.

Therefore, it is recommended that the Redeveloper's requested four (4) month time extension be granted as part of a total six (6) month time extension for the project.

FINANCIAL DATA

The purchase price for the property is \$1,037,830 (\$10.50 per sq. ft.). The Redeveloper has submitted a good faith deposit in the amount of \$51,891.50. This deposit will be held by the Agency until completion of the improvements to the satisfaction of the Agency. This contract amendment does not have a financial impact.

VOTE AND RECOMMENDATION OF COMMISSION

At its regular meeting on February 19, 1981, the Sacramento Housing

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and Redevelopment Commission adopted a motion recommending the authorization for the time extension for submission of final construction plans, 5th & "I" Associates. The votes were recorded as follows:

AYES: Knepprath, Luevano, A. Miller, Serna, Teramoto, Walten,
B. Miller

NOES: None

ABSENT: Coleman, Fisher

RECOMMENDATION

The staff recommends adoption of the attached resolution which authorizes the Executive Director to execute a contract amendment with 5th and "I" Associates extending the deadline for submission of final plans by six (6) months.

Respectfully submitted,

William H. Edgar

WILLIAM H. EDGAR
Interim Executive Director

TRANSMITTAL TO COUNCIL:

Walter J. Slupe

WALTER J. SLUPE
City Manager

Contact Person: Ted Leonard

RESOLUTION NO. RA 81-012

Adopted by the Redevelopment Agency of the City of Sacramento

March 3 , 1981

AUTHORIZING THE CONTRACT AMENDMENT WITH
5TH & "I" ASSOCIATES FOR THE OFFICE COMPLEX
DEVELOPMENT

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY
OF SACRAMENTO:

1. The Interim Executive Director is authorized to execute a contract amendment with 5th & "I" Associates, developers of the 5th-6th-I-J Streets Office Complex, to extend the time for submission of final construction plans by six (6) months, to a new date of July 15, 1981.

CHAIRMAN

ATTEST:

SECRETARY

EXHIBIT "E"

SCHEDULE OF PERFORMANCES

1. Redeveloper shall prepare and submit to the Agency and to the Architectural Review Board Preliminary Plans for Redeveloper's Improvements. Within three (3) months after the effective date of the Agreement.
2. Redeveloper shall make application to the City Planning Commission for the necessary Special Permit for parking. Within three (3) months after the effective date of the Agreement.
3. The Agency and the Architectural Review Board shall approve or disapprove Redeveloper's Preliminary Plans and the Planning Commission shall approve or disapprove the Parking Permit. Within six (6) weeks after submission of such Preliminary Plans.
4. Redeveloper shall prepare and submit Final Construction Plans to the Agency, the Architectural Review Board and the City Building Department. Within six (6) months after the approval of Redeveloper's Preliminary Plans.
5. The Agency and the Architectural Review Board shall approve or disapprove Redeveloper's Final Construction Plans. Within one (1) month after submission of such Final Construction Plans.
6. Redeveloper shall submit a written commitment for construction financing to the Agency. Within six (6) months after the effective date of the Agreement.
7. The Agency shall approve or disapprove Redeveloper's Evidence of Financing. Within one (1) month after submission of such Evidence of Financing.
8. Redeveloper shall deposit the Purchase Price for the Property into escrow. Within two (2) weeks after approval of Redeveloper's Final Construction Plans and Evidence of Financing.

9. Agency shall deposit the Deed for the Property into escrow.

Within two (2) weeks after approval of Redeveloper's Final Construction Plans and Evidence of Financing.

10. The Purchase Price for the Property shall be paid to the Agency, the Deed delivered to the Redeveloper, and escrow shall be closed.

Within two (2) weeks after the Agency deposits the Deed into escrow.

11. Redeveloper shall commence construction of the Improvements on the Property.

Within two (2) weeks after the close of escrow or issuance of a Building Permit, whichever occurs later.

12. Redeveloper shall complete construction of the Improvements on the Property.

Within eighteen (18) months after commencement of construction.

LEE SAMMIS COMPANY

1451 River Park Drive, Suite 110, Sacramento,
California 95815 (916) 929-3193

January 8, 1981

Mr. Bob Roche
Deputy Director
CITY OF SACRAMENTO
REDEVELOPMENT AGENCY
630 I Street
Sacramento, CA 95814

Re: Fifth and I Associates
Working Drawings

Dear Bob:

In accordance with our conversation earlier today, we are writing you this letter to respectfully request an extension of four months time, from January, 1981, in which to complete our working drawings. We have run into some delays that were unforeseen at the time we signed the contract containing this schedule of dates.

Our difficulties concern two major areas that we have finally resolved. The first was obtaining a proper allocation of the architectural fee schedule between both of our architects, i.e., the Spink Corporation and Leason Pomeroy and Associates. This was a sensitive problem, in that, Leason Pomeroy did all of the preliminary drawings, the Spink Corporation is to do all of the working drawings with Leason Pomeroy and Associates still acting as consulting architect. I'm sure that you can appreciate that this was a sensitive negotiation, however, it has been solved and we are on track with our working drawings.

The second problem, which was amplified by the one mentioned above, was making a transition from the Leason Pomeroy staff to the Spink Corporation staff. There were many concepts, architectural techniques, etc. that had to be transmitted from the preliminary designers to the working production

(continued...)

Mr. Bob Roche
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drawing people. As a result of this change, during the mid-design stage, we had to introduce a completely new staff to the project and make them comfortable with all of the concepts and innuendos of the design.

We hope that you will favorably consider our request for the extension of time, that is four months, inasmuch as we have expended great sums of money to reach this point and are only a short distance away from completion. We anticipate no further delays and will proceed post haste towards completion.

If you have any questions regarding our request, we would be most happy to discuss them with you. Please feel free to contact myself, my partner Sam Lindsay, or one of the people at the Spink Corporation, i.e., Ray Baird, Ted D'Amico, or Francis Koo.

Very truly yours,



K. Mark Nelson
Executive Vice President

KMN:do

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY
COMMUNITY DEVELOPMENT DEPARTMENT

WORK ASSIGNMENT/PROGRAM REPORT

Division Technical Services
Downtown Projects-Final plan submission & approval
Project for 5th & "I" Associates office complex
5-6-I-J Streets
Responsible staff _____
Supervisor _____

- Legislative Approvals and Dates:
1. Contract approved 1/14
 2. Preliminary plans approved 7/15/80
 3. _____

Project Type

City Redevelopment

County Housing

Grant

Technical

Updated 1 11th 1980
Day Month Year


- Legend
- * Critical milestone (identify)
 - △ Date project updated
 - ▲ Current progress of project

Project Budget Construction Bid Amount Expenditures to date Funding Source

\$ 19 million \$ _____ \$ _____ \$ Private

ATTACHMENT III

Major Steps	Year	1980					1981					1982													
	Month	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	II	A	M	J	J	A	S
1. Final plans due				█	█	█	█	█	█	█	█	█													
2. Approval of final plans by all bodies					█	█				█	█	█													
3. Submission of evidence of financing*						█	█				█	█													
4. Issuance of building permit					█	█	█	█		█	█	█	█	█											
5. Escrow							█	█				█	█	█											
6. Start of construction								█				█	█												
7. Completion of construction										█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█

Existing schedule 

Proposed schedule 