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NEIGHBORHOODS, PLANNING AND  
DEVELOPMENT SERVICES DEPARTMENT

CITY OF SACRAMENTO  
CALIFORNIA

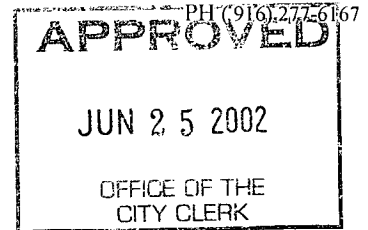
4623 T STREET  
SACRAMENTO, CA  
95819

AREA 3

June 13, 2002

City Council  
Sacramento, California

Honorable Members in Session:



**SUBJECT:** REQUEST TO CARRYOVER FUNDS ALLOCATED IN FY02 FOR A  
NEIGHBORHOOD RESOURCE CENTER TO BE LOCATED AT THE  
FRUITRIDGE SHOPPING CENTER

**LOCATION AND COUNCIL DISTRICT:** Districts 5 and 6

**RECOMMENDATION:** It is recommended that the City Council continue the  
spending authority of \$80,000 until June 2005 that was appropriated in Fiscal Year  
2002 to establish a neighborhood resource center.

**CONTACT PERSON:**

Tim Quintero, Interim Area 3 Director, 277-2346

Gary Ziegenfuss, Administrative Analyst, NSD Area 3, 277-6162

**FOR COUNCIL MEETING OF:** June 25, 2002

**SUMMARY:**

This report discusses the effort to establish a resource center at the Fruitridge Shopping Center located at 5625 Stockton Boulevard and the partnership that has developed with the Stockton Boulevard Partnership and the United Lu - Mien Community to occupy the space. Staff recommends that the FY02 appropriation of \$80,000 be carried over to establish this resource center.

**COMMITTEE/COMMISSION ACTION:**

N/A



*building better neighborhoods block by block*

[www.sacto.org/npds/](http://www.sacto.org/npds/)

**BACKGROUND INFORMATION:**

Prior to 2001, the city operated a resource center in the K Mart Shopping Center through a grant from the State of California. In early spring of 2001, the State of California informed the City that they would not extend the grant. Given the success of the resource center concept in Area 3, staff asked the City Council to appropriate funds for the 2001/02 fiscal year to continue with the resource center concept. The City Council approved an appropriation of \$100,000. The appropriation authorized \$20,000 for the Firehouse Resource Center in North Sacramento and \$80,000 to replace the K Mart Center resource center.

After the City Council action, staff has been diligently searching for office space in Neighborhood Services Area 3 that would fulfill the intent of the resource center concept at a price that was within the Council's appropriation. At the same time staff has been seeking partners that could share space in the proposed resource center.

A few months ago, staff approached the owners of the Fruitridge Shopping Center to lease the original office space that the resource center occupied in the mid-90's. The owners offered to lease the 4,000 square foot facility at a very reasonable rate of \$0.50 per sq. ft. plus \$0.16 for the common area for a period of three years. At the same time agreements have been negotiated with the Stockton Boulevard Partnership and the United Lu-Mien Community to jointly share in the space and associated costs for this resource center. The United Mien community group is in the final approval process of receiving a 3-year grant from the California Endowment to provide health services to the Mien community.

This three-year lease requires the city to pay for utility charges and a service agreement for the heating and air conditioning. The heating and air conditioning will be inspected prior to entering into a service agreement. The landlord maintains the exterior and the building itself (roof, exterior walls, structural parts, etc.) while the city maintains the interior office space. The Real Estate Division and the City Attorney's office have reviewed this proposed lease with minor revisions, which have been agreed to by the landlord. Monthly lease costs will be \$2,640 (\$ 0.66 per sq. ft.) and utility and the service agreement costs will range from \$485-585. The total expected cost to operate the resource center is \$3,225. These costs exclude staff costs related to operating the facility. Staff has met with representatives from the Stockton Boulevard Partnership and the Lu-Mien community and based on the anticipated use of office space the parties have agreed to share costs in the following manner:

		Sq. ft. office	%
Stockton Blvd. Partnership	\$455	570	14
United Lu-Mien Community	\$1,385	1,715	43

The city will expend \$16,620 for one year and \$49,860 for three years. Enough funds are available from the remaining \$80,000 appropriation to pay for outreach, recreation programming, special projects, etc and maintenance costs. In September the Lemon Hill community group may relocate to the center, thereby reducing City costs further. The lease with the Fruitridge Shopping Center should be ready to process for signatures by June 13, 2002. Final signature of the lease will not occur until all specific details are completed, i.e., formal agreements to share costs, service agreement, etc.

Staff is asking the City Council for authorization to carry over the FY02 \$80,000 appropriation and continue the spending authority until June 30, 2005 in order to establish a Neighborhood Resource Center to be located in the Fruitridge Shopping Center.

### **FINANCIAL CONSIDERATIONS**

For the 2001/02 budget year the City Council authorized \$100,000 for resource centers. Of this amount \$80,000 was allocated to establish a new neighborhood resource center to replace the center located on Stockton Boulevard. The additional \$20,000 was used to pay 50% of the staff costs for the Program Coordinator at the Firehouse Resource Center which is located in North Sacramento. The Mutual Assistance Network will occupy and operate the Firehouse Resource Center on June 30, 2002.

Given that there will be a cost sharing agreements with the Stockton Boulevard Partnership and the Mien community, it is estimated that \$49,860 will be needed to pay for lease costs, utilities and a maintenance service agreement. The remaining funds will be used for recreation programming, outreach activities, special projects, and to pay for unexpected maintenance costs. Staff is requesting that the \$80,000 appropriation be carried over in order to fund the operation of a new neighborhood resource center to be located in the Fruitridge Shopping Center.

### **ENVIRONMENTAL CONSIDERATIONS**

CEQA does not apply in this case

### **POLICY CONSIDERATIONS**

This carry over of funds to continue the spending authority until 2005 is consistent with City Council policy to maintain and establish partnerships with the community and to more effectively deliver needed services at the neighborhood level.

City Council  
Request to Carryover Funds Allocated in FY02  
June 13, 2002

The City of Sacramento	<u>\$1,385</u>	<u>1,715</u>	<u>43</u>
	\$ 3,225	4,000	100

Sub-leases or memorandum of understandings will formalize this cost-sharing plan.

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**MBE/WBE EFFORTS**

Not applicable

Respectfully submitted,

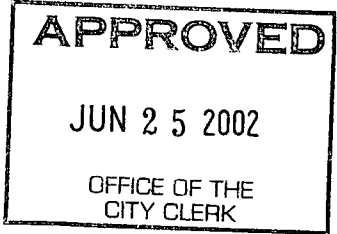


Tim Quintero  
Interim Area Director, Area 3

RECOMMENDATION APPROVED:



Robert P. Thomas  
City Manager



RESOLUTION NO. 2002-415

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF \_\_\_\_\_

A RESOLUTION OF THE CITY OF SACRAMENTO TO AUTHORIZE THE CARRYOVER OF FUNDS APPROPRIATED IN FY02 TO ESTABLISH A NEIGHBORHOOD RESOURCE SERVICE CENTER IN NEIGHBORHOOD SERVICE AREA 3

WHEREAS, the City of Sacramento operated a successful neighborhood resource center in Neighborhood Service Area 3 in the K-Mart shopping center located on Stockton Boulevard as part of a grant from the State of California; and

WHEREAS, after the state grant expired June 1, 2001, the City Council appropriated \$100,000 in FY02 in which \$20,000 would be used at the Firehouse Resource Center in North Sacramento and \$80,000 to be used to reestablish the resource center on Stockton Boulevard; and

WHEREAS, the City of Sacramento is in the final stages of negotiating a three-year lease for the new resource center at the Fruitridge Shopping Center; and

WHEREAS, the carryover of funds is necessary to establish this center and support the lease until 2005.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL THAT:

The carryover of the remaining \$80,000 appropriation from FY02 to establish a neighborhood resource center and continued spending authority until June 30, 2005, is hereby approved.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
FOR CITY COUNCIL USE ONLY

RESOLUTION NO.: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_