



**SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY**



April 10, 1989

Sacramento City Council
Redevelopment Agency of the
City of Sacramento
Sacramento, California

Honorable Members in Session:

SUBJECT: Central Library Project: Approval of Revised Budget Management Plan, Approval of Enlarged Office Structure, Approval of Assignment of a Portion of Redeveloper Interest, and Approval of New Partnership Agreement

SUMMARY

This report recommends that the Agency take action regarding two items which concern the Central Library Project.

The first recommendation concerns the Project budget and the phasing plan as approved in April 1988. Based upon new information received regarding the cost implications of phasing the project, the report recommends that the project be completed in one phase. While no previously unanticipated changes in project scope are involved, the recommended action will entail commitment of funds sufficient to cover expenses we had planned to defer under the phasing plan and for certain additional items requested by the Agency or the City as the project design has progressed. Out of concern for the City's budget status, emphasis has been placed on additional Redevelopment Agency funds as opposed to City general funds to complete this project, however, some City funds are recommended. The report also recommends that the Agency commit project contingency funds for certain additional project improvements.

The second recommendation is that the Agency approve the restructuring of Project agreements to allow the entry of a new general partner.

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BACKGROUND

On August 4, 1987, the Agency approved a Disposition and Development Agreement (DDA) with the Library Plaza Group (LPG) for the development of a library, galleria, office and parking complex on the block bounded by 8th, 9th, "I" and "J" Streets. The original budget for the public portions of the project, including the new library, library remodel, galleria, parking structure and streetscape improvements, was \$32.4 million. That amount was entirely derived from the proceeds of Redevelopment Agency tax increment funds, except that the City forgave \$1.0 million annually in Redevelopment Agency obligations under the Light Rail Certificate of Participation Repayment Agreement in return for the Agency's contribution. On April 5, 1988, an additional \$2.154 million in Redevelopment Agency funds was allocated to the project for design modifications which resulted from expansion of the project's square footage and which included excavation of the basement level beneath the galleria for use as a technical services area, relocation of the children's library to the subterranean floor of the new structure, and certain unanticipated toxic removal expenses. A portion of the funds was additionally allocated to the project contingency to accommodate Agency-directed change orders in both the library and garage.

On August 23, 1988, modification of the 9th Street side of the galleria and new library was approved. The galleria and southernmost stack wing of the library were recessed by 30 feet, creating a courtyard in front of the galleria entrance. The one-story cafe remains extended to the original building line, and parallels the existing library structure. In addition to the design modification, additional items were added to the scope of the contract with LPG at a cost of \$489,051. Funds for the expanded project scope were allocated from several sources. The City agreed to building permit fee reductions totalling \$122,600 and allocated \$77,400 from its general fund to the project. One hundred thousand dollars in construction cost savings was achieved by the recess of the library stack wing, and \$189,051 was allocated from the project contingency fund.

Phasing Plan

At its meeting of April 5, 1988, the Agency had also approved a project phasing plan in order to establish a sufficient contingency fund to provide for the possibility of excessive court judgements related to property valuation. The portions of the approved project to be completed in the initial construction phase were the first, second and third floors of the new library, the children's library and the galleria. Remodel of the existing

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library, the fourth and fifth floor interior improvements along with the streetscape would be completed as funds from the reserve account became available (should there be money remaining following acquisition) or allocated from future Agency revenues.

To date, considerable progress has been made. Construction drawings for the library and galleria complex are now complete, and bids for the project have been received. In the context of the preparation of the project bid package, staff has reassessed the costs and benefits associated with the phasing plan. The potential costs vary from \$200,000 to \$600,000, depending upon the date that the Agency is able to authorize the second phase improvements, as explained below.

Under the April 5, 1988 arrangement two phasing scenarios were possible: 1) Should the Agency obtain favorable judgments in all cases by next fall and therefore be able to authorize the contractor to proceed with the Phase II improvements without extension of the construction schedule, the cost would be approximately \$200,000. This cost reflects lost economies of scale, as subcontractors would be required to purchase materials in two packages, and cost escalations, since contractors would build into their initial bids the anticipated inflation of materials costs; 2) Should the Agency not resolve its acquisition disputes by next fall and, therefore, be unable to issue a timely authorization to proceed to the subcontractors, the construction period would have to be extended for the second phase improvements, resulting in additional costs of up to \$400,000, depending on when authorization to proceed is issued. This amount would be in addition to the \$200,000 for lost economies of scale and escalation, resulting in a cost of approximately \$600,000.

Staff now believes that in either case, the amount required to phase the project is excessive. Staff also believes, however, that it is imperative to maintain a substantial contingency fund for acquisition. It is therefore recommended that additional funds be allocated to the project so that it might be completed in one phase while a prudent acquisition reserve is maintained. You may recall that the April 5, 1988 action placed approximately \$1.55 million in construction funds and \$500,000 for streetscape improvements in the acquisition contingency fund thus creating the need for a phased project. Staff recommends that these amounts be reinstated to the project at this time (along with the additional funds identified below), and that excess funds be released from contingency as cases are settled. The additional funds would be provided by tax increment bond funds to be issued in the near future and/or currently unallocated 1990 tax increment flow.

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Acquisition Status

Since the property acquisition contingency fund was established last April, the Agency has settled one acquisition case and received a court verdict on another (in its portion of the project) for a total of four of nine properties now settled. The Agency requested second appraisals for both properties, and final acquisition costs approximated the second appraisal in both instances. The second appraisal for both properties was in excess of the original appraisal. Neither, however, were equal to the contingency that had been established for the properties. Staff therefore recommends that \$150,000 of the acquisition contingency fund be allocated to construction to assist the coverage of additional scope items, as described below. Reduction of the contingency by this amount will leave remaining an adequate contingency budget for the five cases which remain outstanding. Please see Exhibit "A", which identifies the subject properties and the status of each.

(As a matter of information, within the total project boundaries, we have now settled 10 of 19 properties.)

Final Project Review and Scope of Work

When the DDA between the Agency and LPG was executed in 1987, the scope of work for the project was purposely defined in general terms only. The concept behind the structure of the DDA was that the developer would lead the design-development process and thereby effectuate cost savings unattainable in a public works project. The design-development process has been an iterative one, involving the input of many City staff members, most notably the Library staff, who will occupy the structure, and City Facilities Management staff, who will maintain it. The final scope of work for the project, with the exception of one item*, has been agreed upon by all interested parties.

*City Facilities Management staff is researching the possibility of providing thermal storage for the project. Thermal storage is an energy savings cooling system which creates ice at night which is circulated by the HVAC system during the day, thereby reducing energy consumption during peak demand periods. City staff will undertake this project only if third party financing can be arranged and if savings achieved will pay for the system within a reasonable period of time. City staff will report back if the system is determined to be cost effective.

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In the final review of plans and specifications for the project, both the City and Agency staffs identified items not within the developer's budget which would be required to insure the Library's long-term efficiency and maintainability. Some of these items are new (additional janitorial closets), some involve quality upgrades (hard surfaces such as marble in lieu of carpet) for long-term cost effectiveness, and some add architectural interest to the structure (stone finishes in the galleria interior). In all cases, we feel that the additions are justified and will prove to be worthy investments over the century in which we hope to occupy the structure. A list of items and the proposed allocation of cost, is attached as Exhibit "B" for your review.

The total cost for the project, including the itemized additions, is \$20,720,914. This amount includes all streetscape improvements surrounding the project. Our total current budget for the project, including streetscape, is \$18,669,018 (assuming reinstatement of the funds previously allocated to acquisition contingency).

Our recommended solution to meeting the required budget is as follows: 1. Reallocate \$140,000 from the garage to the library. This amount is in excess of the amount needed to complete the garage versus the budget; 2. Reallocate \$110,000 from the asbestos line item to construction. This amount is in excess of costs; 3. Allocate \$835,725 from City funds (information to be provided by City staff in the near future); 4. Allocate \$150,000 from acquisition contingency; 5. Allocate \$816,171 in future tax increment bond proceeds. A summary of the proposed action is attached as Exhibit "C."

The price for the improvements, along with the agreed upon scope of work, will be provisions of the DDA amendment, if approved, as described below. The project developers will assume all risk for providing the agreed-upon structure for the agreed-upon price from this point forward. Though the cost for the library has increased somewhat beyond the original budget, both Agency and City staffs are satisfied with the quality and functionability of the structure and believe (based on third party estimates) that the price is very representative of industry standards.

An oral and visual presentation of the project will be made by the project architects.

New Partnership Agreement

The DDA between the Agency and LPG specifies that LPG will commence construction of the office tower adjacent to the galleria by August 4, 1990, which is three years following

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approval of the DDA. LPG has determined that the best way to ensure commencement of the office tower within the Agency's time frame would be to bring a general partner with considerable financial strength into its agreement with the Agency. LPG has reached a tentative agreement with Grosvenor/Lundberg Partners Sacramento, a joint venture of two firms, [Grosvenor International (Sacramento) Ltd. and Lundberg Property Sacramento, Inc.], which meets this requirement.

Grosvenor International (Sacramento) Ltd. is a subsidiary of Grosvenor International Holdings, Ltd. is a privately held company which acquires, develops, and manages office, retail and industrial properties. Grosvenor commenced operations in Canada over 30 years ago and has been active in the U.S. and Australian market places for over 20 years. Grosvenor is associated with the Grosvenor Estate of Great Britain, and comprises the holdings of the Duke of Westminster. The Grosvenor Estate has a 900 year history of property ownership, and holds approximately 300 acres of the districts of Mayfair and Belgravia in the West End of London.

Grosvenor International owns and manages industrial and commercial property throughout British Columbia, Washington, Hawaii and Australia, and also owns several regional shopping centers. Grosvenor has invested in partnerships throughout California, in Arizona, Hawaii, Washington, D.C., and Australia.

Lundberg Property Sacramento Inc. is a subsidiary of Lundberg International N.V. which is a subsidiary of Lundbergforetagen AB, a publicly traded company in Sweden. The parent company owns and manages 260 properties, totalling 1,239,000 square meters, throughout Sweden. The company also owns 18 million square meters of vacant Swedish land. The international subsidiary has invested in properties in the U.S., Canada, Australia, Great Britain, Belgium, Holland and West Germany. The stated objective of both the parent company and the subsidiary is the long-term ownership and management of well-built properties.

We have reviewed the financial capacity of both Grosvenor and Lundberg and have determined that they are more than capable of meeting the financial requirements entailed in completing an office project of the scope proposed.

In order to facilitate the entry of the new partners into the library project, LPG is requesting the assignment of its interest in the Office Building portion of the Project to a partnership called LPT Associates and the approval of the following documents:

1. A development agreement between the Agency and LPG for completion of the Library and Garage. The LPG partnership would remain as it is presently structured.

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2. A development and disposition agreement between the Agency and LPT Associates for completion of the office structure.

The following is an outline of the structure of LPT Associates:

General Partners

1. Grosvenor/Lundberg partners Sacramento, a joint venture organized as a general partnership between Grosvenor International (Sacramento) Limited, a California Corporation, and Lundberg International N.V., a Netherlands Corporation, holding a 77.5 percent interest; and
2. Library Plaza Group II, a California Limited Partnership, comprised of the following partners, holding a 22.5 percent interest:
 - a. Peter McCuen, General Partner (18.5 percent of the total project).
 - b. Limited Partners (4.5 percent of the total project):
 1. Christopher Steele
 2. Richard Nelson
 3. Angelo Tsakopoulos
 4. Philip Angelides
 5. Robert Bell

The major changes which would occur as a result of restructure of our Agreements with LPG would be as follows:

1. The public and private portions of the project would be severed into two discrete agreements. Under the terms of the present DDA, LPG's failure to perform on the library or garage would result in termination of LPG's rights related to the office structure. According to the new Agreement, should LPG default on its obligation to build the Library and/or garage, the Agency's recourse would be to seek damages and to require the surety to complete construction under the 100 percent performance bond on the project. Upon completion of the garage the garage lease and option agreement will be assigned from LPG to LPT with Agency approval.

Under the original DDA, LPG is not to receive a profit upon sale of its interest in the Office Building property prior to completion. This assurance of performance has been retained by restricting the partners of LPT Associates (the present

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partners of LPG) from selling their interest in the project back to the general partners for profit prior to completion of the library and garage.

LPT will reimburse LPG all of its costs related to the project shortly after approval of transfer of LPG's interest to LPT. After completion of the Office Building shell, LPT will make payments to LPG II for consulting fees and may repurchase 4.5 percent of LPG II's interest in the Office Building leaving LPG II with 18 percent. In turn, Peter McCuen may buy out the limited partners in LPG II at the same time. Peter McCuen will be retained as property manager upon completion of the Office Building.

2. The plans, specifications and price for the library, as described above, will become exhibits of the new LPG Agreement in order to circumvent any disagreements which might arise regarding various aspects of the project.
3. The final price for completion of the Library will be established as \$20,720,914 (including streetscape improvements). This amount is based upon bids received by LPG for the approved project, and confirmation by the Agency's construction management consultants.

Agency attorneys have reviewed LPT's organizational agreements and have prepared a new DDA and a Development Agreement which will safeguard the Agency's interest in the project as well as expedite the completion of the project's office portion. Furthermore, staff is pleased to have the parameters of the project, in terms of construction detail and final budget, documented. The "official plans and specifications" can now become the project construction management team's tool by which to review and judge all aspects of construction.

FINANCIAL DATA

The recommended actions have the following financial implications:

1. Allocation of \$2.05 million in additional Redevelopment Agency funds to the project in order to proceed with construction of all improvements in one phase while maintaining a prudent acquisition reserve.
2. Allocation of \$816,171 in additional Redevelopment Agency funds to the project in order to provide for an expanded Scope of Work.

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The actual expenditure of additional funds will not occur until 1990. The money will be provided by debt to be issued in early 1990. This will either come from the proceeds of a Downtown Tax Allocation Bond to be issued in 1990 (estimated at \$20 million), or from short term debt against tax increment revenues. Staff will report back on this issue in the near future.

3. Reallocation of \$140,000 from the garage and \$110,000 from the asbestos line item to library construction.
4. Reallocation of \$150,000 from the acquisition contingency fund to library construction.
5. Allocation of \$835,725 from City general revenue bond funds to be issued in the near future.
6. Establishment of the project budget as \$20,720,914.

The proposed budget changes are attached in Exhibit "D."

POLICY IMPLICATION

The recommended actions are consistent with the Merged Downtown Sacramento Redevelopment Plan and Implementation Strategy.

MBE/WBE IMPACT

The new DDA and Development Agreement are subject to the Agency's MBE/WBE Utilization Plan. The general contractor (Rudolph & Sletten) was selected in 1987 following approval of the DDA. Rudolph & Sletten has been instructed on the Agency's MBE/WBE goals (20/5 percent) and have made and will continue to make every effort to bring the additional work required into comporment.

VOTE AND RECOMMENDATION OF COMMISSION

At its meeting of April 10, 1989, the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolution. The votes were as follows:

AYES:

NOES:

ABSENT:

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RECOMMENDATION

The staff recommends approval of the attached resolution which authorizes the following

1. Allocation of \$2.05 million in additional Redevelopment Agency funds to the project in order to proceed with construction of all improvements in one phase while maintaining a prudent acquisition reserve.
2. Allocation of \$816,171 in additional Redevelopment Agency funds to the project in order to provide for an expanded Scope of Work.

The actual expenditure of funds will not occur until 1990. The additional money will be provided by debt to be issued in early 1990. This will either come from the proceeds of a Downtown Tax Allocation Bond Issue to be issued in 1990 (estimated at \$20 million), or from short term debt against tax increment revenues. Staff will report back on this issue in the near future.

3. Reallocation of \$140,000 from the garage and \$110,000 from the asbestos line item to library construction.
4. Reallocation of \$150,000 from the acquisition contingency fund to library construction.
5. Allocation of \$835,725 in City general revenue bond funds to be issued in the near future.
6. Establishment of the project budget as \$20,720,914.

Respectfully submitted,

For Andrew J. Plescia
ANDREW J. PLESCIA
Acting Executive Director

TRANSMITTAL TO COUNCIL:

Walter J. Slupe
WALTER J. SLUPE
City Manager

Contact Person: Wendy Saunders, 440-1355

2410WPP(169)

RESOLUTION NO.

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF

ALLOCATION OF FUNDS TO COMPLETE THE LIBRARY PROJECT,
ALLOCATION OF FUNDS TO EXPAND THE SCOPE OF WORK,
APPROVAL OF ASSIGNMENT OF A PORTION OF
REDEVELOPER INTEREST AND EXECUTION OF
RELATED DOCUMENTS

WHEREAS, the Central Library Expansion Project ("Project") Disposition and Development Agreement ("DDA") with Library Plaza Group, a California limited partnership ("LPG") was approved by Resolution No. RA 87-055 on August 4, 1987; and

WHEREAS, a phasing program was approved for the Project on April 5, 1988 to assure sufficient contingency reserves; and

WHEREAS, the completion of the Project in one phase is desired in order to avoid additional costs; and

WHEREAS, an increase in the scope of the Project is desired to enhance future efficiency of the Project; and

WHEREAS, the Agency now desires to enter into new agreements, to replace of the Disposition and Development Agreement, in order to assign a portion of LPG's interest in the Project to LPT Associates, a California limited partnership;

NOW, THEREFORE, BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO:

Section 1. Allocation of \$2.05 million in additional Redevelopment Agency funds to the Project ("Library"), for use in construction of all Library improvements in one phase while maintaining a prudent acquisition reserve and with funds to be provided by future tax increment funds, is hereby approved.

Section 2. Allocation of \$816,171 in additional Redevelopment Agency funds to the project in order to provide for an expanded Scope of Work on the Library and with funds to be provided by tax increment bonds, is hereby approved.

Section 3. Reallocation of \$140,000 from the garage portion of the Project and \$110,000 from the Project's asbestos line item to Library construction is hereby approved.

Section 4. Reallocation of \$150,000 from the Project's acquisition contingency fund to Library construction is hereby approved.

Section 5. The project budget is hereby established as \$20,336,302.

The proposed budget changes are attached in Exhibit "E."

Section 6. The Project budget shall be amended as follows:

	Proposed Budget <u>4/11/89</u>
Remodel	\$20,220,914
Library & Galleria Construction (\$758,345 to be provided by City)	
Garage Construction	7,684,299
Hazardous Waste Removal	540,000
Housing Replacement	1,000,000
Offsite Improvements	500,000
Construction Management	800,000
Acquisition (Deposits with court and previously settled)	5,414,000
Acquisition Contingency	2,180,509
Legal Fees	316,000
Relocation	554,980
TOTAL	\$39,210,702

Section 7. Assignment of LPG's interest in the office building portion of the Project ("Office Building") to LPT Associates, a California limited partnership is hereby approved.

Section 8. The Acting Executive Director is hereby authorized to enter into new agreements with LPG and LPT to replace the present DDA with LPG for the Project, which agreements shall be in the same form as the draft agreements submitted with this resolution.

Section 9. The Acting Executive Director is hereby authorized to take all actions reasonably necessary to carry out the provisions and intent of this resolution.

CHAIR

ATTEST:

ASSISTANT SECRETARY

1100WPP2(301)

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

EXPANSION OF LIBRARY SCOPE OF DEVELOPMENT AND FUND ALLOCATION

WHEREAS, the Redevelopment Agency of the City of Sacramento ("Agency") entered into a Disposition and Development Agreement with the Library Plaza Group for the Central Library Expansion Project ("Project"); and

WHEREAS, the Council of the City of Sacramento now desires that the City contribute funds in order to expand the scope of the Project ("Library Project").

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

Section 1. The City shall contribute \$839,725 to the Library Project to provide for expansion of the scope of the Library Project, which funds will be provided by general revenue bonds to be issued in the future.

Section 2. The City Manager is authorized to transfer said funds to the Redevelopment Agency of the City of Sacramento for use in the Library Project.

MAYOR

ATTEST:

CITY CLERK

1100WPP2(301)

COST ALLOCATION
EXPANDED SCOPE OF WORK

Central Library Expansion Project
Additions to Budget

<u>Allocation</u>	<u>Agency</u>	<u>City</u>
Carpet Tiles	\$ 80,000	\$ 80,000
Dual Glazed Windows	35,000	
Cabinetry	101,800	101,800
Floor Covering	50,000	
Interior Signage		160,000
Vinyl Wall Covering		200,000
Trash Compactor		20,000
Surge Protection		10,000
Large Trees	30,000	
Facade Protrusion - Galleria	80,000	
Add'l Shelving		60,000
Hard Surface for Children's Stairs		60,000
Folding Stages		15,300
Synchronized Clocks	8,000	
Muntz Metal Doors	25,000	
Single Mirrors	1,800	1,700
Projector Cabinets	5,500	
Granite on E Elevation	30,000	
Granite on S Elevation	15,000	
Speakers, 4th Floor		200
Electronic RR Release		12,000
Stainless RR Partitions	10,000	
Janitor Closets, 2, 3, 4, 5	7,200	
Closet Shelves		1,200
Stainless Kick Plates	1,600	
Janitor Closet Foyer	10,000	
Hard-Surfaced Counter Bases		2,000
Elim Childrens Service Desk		(2,000)
Vinyl Floor in Corridor	(2,000)	
Repair Shop Task Lights		500
3 Rows Metal Shelving		4,000
Staff Lockers		3,000
Delete Door South Wall	(900)	
Cabinet w/Sink-Graphics		3,500
Cabinet-Graphics		2,500
Metal Shelves-Graphics		450
Delete Plug Mold	(300)	
Task Lights-Pringing		500

Central Library Expansion Project
 Additions to Budget
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<u>Allocation</u>	<u>Agency</u>	<u>City</u>
Lockers-Foyer		\$ 1,500
Add Office Windows	\$ 7,000	
Library to Galleria		
Power Outlets in Forecourt	500	
Storage Room Doors	3,200	
W Entry Card Key		5,000
Electric Outlets		1,900
Under Display Boxes		
2 Work Stations		400
Half Glass Door	30	
Delete Comm Info Desk	(2,500)	
Delete 2 Fixtures-Business Info		(200)
Task Lights Business Info		200
2 Work Stations		900
Vision Windows, N Wall	2,500	
1 Work Station E Wall		200
2 Data Outlets S Wall		400
2 Work Stations Room Center		900
Delete Met. Shelves-Fiction		(450)
Work Station-Fiction	200	
Task Lights-Fiction		900
Outlets-Microfilm		300
Office Area Counters		3,000
Add'l Admin Office		2,400
Task Lights-Conf Room		500
Cabinets-Copy Room		800
3 Work Stations		600
Add'l Coat Room		2,200
Flush Power-Conf Room		450
Delete Outlets-	(2,000)	
Computer Room		
125 Lockers		1,000
Relo Tack Wall -	(840)	
Staff Room		
Add'l Office	1,600	
MV Data Outlet		200
Delete Concrete Walks	(15,000)	
Canopy-Galleria	63,220	
Granite-Library Lobby	38,750	
Granite Wainscotting	114,000	
Drivet Finish-Galleria	23,500	
Misc.	20,114	
Sub-Total	\$741,974	\$759,750
Ten Percent Admin	74,197	75,975
TOTAL	\$816,171	\$835,725

PROPOSED FUNDING
FOR PROJECT COST

Project Cost	<u>\$20,720,914</u>
Funding Sources:	
Construction Budget	\$18,169,018
Streetscape Budget	500,000
Asbestos Reallocation	110,000
Garage Reallocation	140,000
Acquisition Contingency Reallocation	150,000
Additional Funds - SHRA	816,171
Additional Funds - City	<u>835,725</u>
TOTAL	\$20,720,914

0482C

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Exhibit "D"

	Approved Budget <u>8/23/88</u>	Reinstatement of Funds Required for Phasing and Proposed <u>Modifications</u>	Proposed Budget <u>4/11/89</u>
Library/Galleria	18,169,018	2,051,896	20,220,914
Garage Construction	7,824,299	(140,000)	7,684,299
Hazardous Waste Removal	650,000	(110,000)	540,000
Housing Replacement	1,000,000		1,000,000
Offsite Improvements	500,000		500,000
Construction Management	206,000 594,000		800,000
	(increase approved as a part of 1989 budget)		
Acquisition (Deposits with court and previously settled)	5,414,000		5,414,000
Acquisition Contingency	2,330,509	(150,000)	2,180,509
Legal Fees	316,000		316,000
Relocation	554,980		554,980
Less Portion Phased	(2,046,306)		
Reinstatement of Phased Portion		2,046,306	
TOTAL	35,512,500	3,698,202	39,210,702

Source of Funds:

Originally Approved, Phase I	35,512,500
Approved for Phase II	2,046,306
Additions to Budget-SHRA	816,171
Additions to Budget-City	835,725
	39,210,702