

APPENDIX F

**Unsigned, Unsent Caltrans Correspondence dated September 30, 2009
Relating to Rainier Avenue Cross-Town Connector and Interchange Project**

DEPARTMENT OF TRANSPORTATION

111 GRAND AVENUE
P. O. BOX 23660
OAKLAND, CA 94623-0660
PHONE (510) 286-5900
FAX (510) 286-6301
TTY 711



*Flex your power!
Be energy efficient!*

September 30, 2009

Mr. Vince Marengo
Director of Public Works
City of Petaluma
P.O. Box 61
Petaluma, CA 94953-0061

Dear Mr. Marengo:

Thank you for the August 17, 2009, Technical Memorandum for interchange justification for the proposed US 101/Rainier Avenue Interchange.

The memorandum's outline contains the conditions set forth in the California Department of Transportation (Department) Design Information Bulletin 77 and Chapter 27 of the Project Development Procedures Manual. However, we offer the following review comments and request that the City of Petaluma (City) provide the additional information identified below in order for the Department to consider approval of the justification for new interchange:

GENERAL COMMENTS

- Subject needs to be changed to "Justification for new access point on the State Highway 101." Once the new access point is justified only then will a nonstandard mandatory feature be considered.
- As the Technical Memorandum is intended to be a stand-alone document, updated layout plans and other attachments (e.g., estimates, assumptions, etc.) need to be included to support the information presented.

A strip map will definitely be helpful to show the limits of operational analysis, locations of "other interchange considered," and proximity of local street improvements considered.

- It is extremely important that the latest proposed geometrics at East Washington Interchange be delineated as existing condition for the various alternatives in the memorandum in order to clarify the relationship, additional modifications needed, and the extent and associated cost of "throwaway" for other Build Alternatives.

It is also important to carefully investigate the East Washington Interchange as to why further improvements to this interchange by itself, or in conjunction with the "Split

and HOV facilities), geometric design, and alternative improvements to the system without the proposed change in access.”

The above requirements must be fully addressed before an alternative with new access is to be considered.

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Last paragraph - The minimum requirement for interchange modification or addition is to look at a minimum of one interchange upstream and downstream. In this case where the corridor is already operating in a highly congested mode it would be normal and prudent to evaluate the effects further upstream and downstream. The termination of the limits of analysis should be predicted on volumes. It is unreasonable to expect that the new interchange will not generate additional trips on its own.

Other than the “isolated mainline” segment between East Washington Interchange and the proposed new access mainline, what freeway operations analysis has been done? It is unreasonable to believe that adding a new interchange to the already highly congested freeway would not adversely effect mainline operations.

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Local Street Operations, It is not disputed that the proposed interchange would divert traffic from existing interchanges, at least initially. The requirement, as stated above, is that “The need being addressed by the request cannot be adequately satisfied by existing interchanges to the system, and/or local roads and streets in the corridor can neither provide the desired access, nor can they be reasonably improved (such as access control along surface streets improving traffic control, modifying ramp terminals and intersections, adding turn bays on lengthening storage) to satisfactorily accommodate the design year traffic demands.” It is also expected that the freeway system operate at a higher level of service than the local street network and that the local trips and shorter regional trips remain on the local street network and not clog the freeway system.

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Alternatives that include improvements to the local street network and/or existing interchanges must be included in this PSR.

It also appears that all alternatives assume that the MSN project is completed prior to the construction of an undercrossing at Rainier. While it now appears that the funding for the completion of the MSN project is in question, it is suggested that all alternatives would need to account for the likelihood of this occurring, as the scope, cost, and schedule would be affected.

It is understood that the City does not support right of way acquisition via eminent domain. Unfortunately as it may be the requirement and will be that this and any other project are constructed in the most public good and with the least private injury. As right of way acquisition will be required on any alternatives, speculating on what parcels will require condemnation is inappropriate at this time.

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Impacts of improvements to East Washington as a standalone project are too conservative and exaggerated. For example, anticipated acquisition of 35 single-family homes in the northwest and southeast quadrants, if details are properly drawn, could be reduced to only a few residential homes and mostly just partial takes of the residential backyards.

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For East Washington Interchange, the additional right of way at the southwest quadrant that is needed for the widening of the southbound on-ramp from East Washington Street to southbound US 101 would be dedicated by Target Store, which purchased the adjacent property. It needs to be clarified whether it is a no cost dedication.

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The current East Washington 90% PS&E plans should not be a determining factor for Alternative 4's viability. PS&E plans could be revised to incorporate portions of Alternative 4.

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How was it determined that traffic management systems would not address the need of this project?

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Has there been any other mainline freeway analysis performed other than "an isolated mainline segment weaving analysis"?

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Comparison of Alternative Impacts - How would the project cost and impacts change if the MSN project were not completed ahead of this project?

Once these comments and missing information are addressed and incorporated in to the technical memorandum for interchange justification, the Department would be in a better position to make a determination of its support of the proposed new interchange. It should be noted that conceptual approval is obtained when the nonstandard features and PSR are approved.

The Department appreciates the City's cooperation and partnership to determine the most beneficial improvement at US 101 and Rainier Avenue. If you have any further questions or need further assistance, please contact Patrick Pang, Chief for Office of Advance Planning, at (510) 286-5566.

Mr. Vince Marengo
September 30, 2009
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bc: BSartipi
LTaubeneck
LCulik-Caro
PPang
MThomas
ESchen
RBlanco
CDong/PE/File

Resolution No. 2011-046 N.C.S.
of the City of Petaluma, California

**A JOINT RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
PETALUMA AND THE PETALUMA COMMUNITY DEVELOPMENT COMMISSION
AUTHORIZING NEGOTIATION AND EXECUTION OF A COOPERATIVE
AGREEMENT WITH THE SONOMA COUNTY TRANSPORTATION AGENCY
COMMITTING FUNDING FOR THE RAINIER AVENUE CROSS-TOWN
CONNECTOR/INTERCHANGE PROJECT AND AUTHORIZING/DIRECTING THE
CITY MANAGER/COMMISSION EXECUTIVE DIRECTOR TO NEGOTIATE AND
EXECUTE A COOPERATIVE AGREEMENT WITH THE
SONOMA COUNTY TRANSPORTATION AGENCY**

WHEREAS, the City of Petaluma ("City") is a California municipal corporation and charter city; and,

WHEREAS, the Petaluma Community Development Commission ("PCDC") is a redevelopment agency formed, existing and exercising its powers pursuant to California Community Redevelopment Law, Health and Safety Code Section 33000 *et seq.* ("Law"); and,

WHEREAS, on January 4, 2010 the City Council and PCDC Board adopted resolutions approving proceeding with a Project Study Report for the Rainier Avenue Cross Town Connector Undercrossing (the "Rainier Project"), proceeding with environmental documentation preparation and consenting to expenditure of nearly \$1.5 million in tax increment for the project, and making required findings under California Health and Safety Code section 33445; and,

WHEREAS, on January 31, 2011, the City Council and PCDC Board adopted resolutions authorizing execution of a cooperative agreement between the City and PCDC committing tax increment funds to specified projects, including commitment of an additional \$7 million to the Rainier Project and making required findings under California Health and Safety Code section 33445; and,

WHEREAS, on March 7, 2011, the City Council, the PCDC Board and the Petaluma Public Finance Authority Board authorized proceeding with a private placement of debt intended to generate debt proceeds of up to \$15 million to fund improvement costs for the Old Redwood Highway Interchange and the Rainier Project to secure funding for critical, ongoing projects and activities of the PCDC and to avoid disruption of the City's planned capital improvements and

programs as a result of State action; and,

WHEREAS, as authorized by applicable law, the PCDC Redevelopment Plans and action of the City Council and the PCDC Board on March 7, 2011, the PCDC has entered into an agreement with an appropriate lender (the "2011 Issuance") to provide for a total of \$10 million in financing for transportation improvements for the Old Redwood Highway Interchange Project and the Rainier Project; and,

WHEREAS, on August 3, 2009, the City Council authorized execution of a cooperative agreement with the Sonoma County Transportation Agency covering funding and other responsibilities of the parties related to the Old Redwood Highway Interchange Project (Old Redwood Agreement); and,

WHEREAS, now that up to \$7 million of the funds which were the subject of the City Council and PCDC's approval and findings on January 31, 2011 are available for the City's and/or PCDC's portion of costs related to the Rainier Project, it is appropriate for the City and PCDC to enter a cooperative agreement with the Sonoma County Transportation Agency ("SCTA") in a form substantially similar to the Old Redwood Agreement to define a framework to enable the City, PCDC and SCTA to work cooperatively in developing transportation improvements for the Rainier Project; and,

WHEREAS, the funding committed by this action is related to a project which was the subject of the cooperative funding agreement approved by the City and the PCDC on January 31, 2011, by City Resolution No. 2011-016 N.C.S. and PCDC Resolution No. 2011-02, respectively, and which contained detailed CEQA findings for the projects subject to those resolutions, including the Rainier Project. Notices of Determination pursuant to CEQA for the cooperative agreement were filed by the City and PCDC on or about February 7, 2011, and no further CEQA review is required for this action.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Petaluma and the Board of the Petaluma Community Development Commission as follows:

1. The City Manager/Petaluma Community Development Commission Executive

Director is hereby authorized and directed on behalf of the City and the Petaluma Community Development Commission ("PCDC") to negotiate and execute an agreement between the City, the PCDC and the Sonoma County Transportation Agency (SCTA) in a form substantially similar to the cooperative agreement between the City and SCTA covering funding and other responsibilities of the parties related to the Old Redwood Highway Interchange Project attached hereto as Exhibit A; providing for the commitment of up to \$7 million in funds from the 2011 Issuance to the Rainier Avenue Cross Town Connector/Interchange Project; and as approved by the City Attorney/PCDC Counsel.

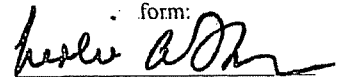
2. The City Manager/PCDC Executive Director is hereby authorized and directed on behalf of the City and the PCDC to undertake such actions and to execute such additional instruments as may be necessary or desirable in order to carry out the intent of this Resolution.
3. If any provision, sentence, clause, section or part of this resolution is found to be unconstitutional, illegal or invalid, such finding shall affect only such provision, sentence, clause, section or part, and shall not affect or impair any of the remaining parts.

Under the power and authority conferred upon this Council by the Charter of said City.

REFERENCE:

I hereby certify the foregoing Resolution was introduced and adopted by the Council of the City of Petaluma at a Regular meeting on the 21st day of March, 2011, by the following vote:

Approved as to
form:


Assistant City Attorney

AYES: Albertson, Barrett, Mayor Glass, Harris, Kearney, Renée

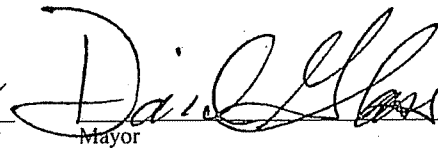
NOES: None

ABSENT: Vice Mayor Healy

ABSTAIN: None

ATTEST:


City Clerk


Mayor

Agenda Item #5.B



DATE: March 21, 2011

TO: Honorable Mayor and Members of the City Council, Petaluma Community Development Commission Board through City Manager/Commission Executive Director

FROM: Eric W. Danly, City Attorney/Commission General Counsel

SUBJECT: Discussion and Possible Adoption of a Joint Resolution of the Petaluma Community Development Commission/Petaluma City Council Authorizing a Cooperative Agreement with the Sonoma County Transportation Agency to Commit Funding for the Rainier Avenue Cross-Town Connector/Interchange Project and Authorizing/Directing Executive Director/City Manager to Negotiate and Execute a Cooperative Agreement with the Sonoma County Transportation Agency.

RECOMMENDATION

It is recommended that:

The City Council/Community Development Commission Board adopt the attached joint resolution authorizing the City Manager/Community Development Commission Executive Director to negotiate and execute on behalf of the City and the Petaluma Community Development Commission ("PCDC") a cooperative agreement with the Sonoma County Transportation Agency ("SCTA") for the Rainier Avenue Cross-Town Connector/Interchange Project ("Rainier Project") which is consistent with the City of Petaluma's prior cooperative funding agreement for the Old Redwood Interchange Project and which commits up to \$7 million of funding for the Rainier Project.

BACKGROUND AND DISCUSSION

Governor Brown released his budget proposal for Fiscal Year 2011-12 on January 10, 2011. The Governor's draft budget includes a recommendation to disband redevelopment agencies as of July 1, 2011, to use tax increment to fund State obligations, and to redistribute tax increment revenues to other taxing entities, including the City. Legislative efforts are underway to immediately prohibit redevelopment agencies from entering into new obligations upon adoption of the urgency legislation.

Agenda Review:

City Attorney _____ Finance Director _____ City Manager _____

Redevelopment agencies throughout the State (including the PCDC) have taken rapid action to encumber funds, enter into cooperative agreements, approve bond issuances, or otherwise protect their assets from the actions under consideration by the Legislature.

On January 31, 2011, the Petaluma City Council and PCDC adopted resolutions making findings required by the California Health and Safety Code, authorizing expenditure of tax increment funds for specified public improvements and redevelopment activities, and authorizing execution of a cooperative agreement between the PCDC and the City covering specified improvements and programs, including the East Washington/Highway 101 Interchange, Old Redwood Highway Interchange and Rainier Project.

On March 7, the City Council, the PCDC Board and the Petaluma Public Finance Authority Board authorized proceeding with a private placement of debt intended to generate debt proceeds of up to \$15 million to fund improvement costs for Old Redwood Highway Interchange and Rainier Project. The objective of the financing was to secure funding for critical ongoing projects and activities of the PCDC and to avoid disruption of the City's planned capital improvements and programs as a result of State action.

The terms of the proposed private placement required amendment of a tax increment "pass-through" agreement between the City, the PCDC, the County of Sonoma and the Sonoma County Library Commission, as well as consent by Sonoma County to subordination of its pass through entitlement under the agreement. Thanks to considerable effort by Supervisor Rabbitt, his staff, other County staff, and by Mayor Glass and Sandra Cooper, Library Director, and her staff, as well as the support and approval of Board of Supervisors and the Library Commission, approval of the agreement amendment and County subordination of existing pass through obligations was formalized on March 15. The private placement financing closed at 1:00 p.m. on Thursday, March 17 and funded at 9:00 a.m. on Friday, March 18. Thus the PCDC financing was successful, thanks to the assistance of the County and Library Commission, in issuing critical financing for projects related to the Highway 101 widening.

However, the State legislature is still considering adoption of legislation that will eliminate redevelopment agencies in California by July 1, 2011, prohibit new debt and other obligations of redevelopment agencies effective with the adoption of the new legislation, and redirect tax increment formerly allocated to redevelopment agencies. The legislation presently under consideration purportedly would not recognize as binding agreements between redevelopment agencies and the cities and counties that created them, and would require that additional criteria be met for redevelopment agency commitments to be treated as binding after the new legislation takes effect. Accordingly, it is desirable that the Council and PCDC Board authorize a cooperative agreement with SCTA which would commit up to \$7 million of the proceeds of the private placement for costs necessary for the City's share of Highway 101 widening costs related to Rainier improvements. The balance of the private placement proceeds of \$3 million is already obligated via cooperative agreements with the SCTA and Caltrans for the Old Redwood Highway interchange project. Detailed funding and project provisions for the Rainier Project have not yet been finalized with SCTA. This action is therefore to request that the City Council and PCDC Board authorize the City Manager/PCDC Executive Director to negotiate and execute a cooperative funding agreement for Rainier with SCTA in a form substantially similar to that

used for the City-SCTA Cooperative Funding Agreement for the Old Redwood Highway interchange improvements and which allocates up to \$7 million of the private placement funding to appropriate components of the Rainier Project.

On January 4, 2010 the City Council and PCDC Board adopted resolutions approving proceeding with a Project Study Report for the Rainier Avenue Cross Town Connector Undercrossing, proceeding with environmental documentation preparation and consenting to expenditure of nearly \$1.5 million in tax increment for the project, and making required findings under California Health and Safety Code section 33445.

On January 31, 2011, the City Council and PCDC Board adopted resolutions authorizing execution of a cooperative agreement between the City and the PCDC committing tax increment funds to specified projects, including commitment of an additional \$7 million to the Rainier Project. The January 31, 2011 actions also including making required findings under California Health and Safety Code section 33445 for the Rainier Project. Those findings are contained in City Council Resolution No. 2011-016 and PCDC Resolution No. 2011-02. The January 31 action and the City-PCDC Cooperative Agreement showed expenditures anticipated for Rainier as \$1,472,000 in 2010-2011 and another \$7,000,000 in 2013-2014.

The joint City/PCDC/Public Financing Authority action to approve the private placement financing action on March 7, 2011 relied on the California Environmental Quality Act (CEQA) review for the previous cooperative funding agreements between the City and the PCDC and made the following CEQA finding:

The funding provided by the proposed debt issuance is related to projects which were the subject of the cooperative funding agreement approved by the City and the PCDC on January 31, 2011, by City Resolution No. 2011-016 N.C.S. and PCDC Resolution No. 2011-02, respectively, which contained detailed CEQA findings for the projects being funded.

Notices of Determination pursuant to CEQA for the cooperative agreement, which included the Rainier Project proposed to be funded by this action, were filed by the City and PCDC on or about February 7, 2011. This action commits funding as envisioned in the previous actions regarding the City-PCDC cooperative agreements and 2011 Issuance, and no further CEQA review is required.

ATTACHMENTS

1. Proposed resolution
2. Cooperative agreement between the City and SCTA for Old Redwood Highway (Exhibit A to Resolution)

JOINT RESOLUTION NO. _____

**CITY OF PETALUMA
PETALUMA COMMUNITY DEVELOPMENT COMMISSION**

**A JOINT RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
PETALUMA AND THE PETALUMA COMMUNITY DEVELOPMENT COMMISSION
AUTHORIZING NEGOTIATION AND EXECUTION OF A COOPERATIVE
AGREEMENT WITH THE SONOMA COUNTY TRANSPORTATION AGENCY
COMMITTING FUNDING FOR THE RAINIER AVENUE CROSS-TOWN
CONNECTOR/INTERCHANGE PROJECT AND AUTHORIZING/DIRECTING THE
CITY MANAGER/COMMISSION EXECUTIVE DIRECTOR TO NEGOTIATE AND
EXECUTE A COOPERATIVE AGREEMENT WITH THE SONOMA COUNTY
TRANSPORTATION AGENCY**

WHEREAS, the City of Petaluma ("City") is a California municipal corporation and charter city; and

WHEREAS, the Petaluma Community Development Commission ("PCDC") is a redevelopment agency formed, existing and exercising its powers pursuant to California Community Redevelopment Law, Health and Safety Code Section 33000 *et seq.* ("Law"); and

WHEREAS, on January 4, 2010 the City Council and PCDC Board adopted resolutions approving proceeding with a Project Study Report for the Rainier Avenue Cross Town Connector Undercrossing (the "Rainier Project"), proceeding with environmental documentation preparation and consenting to expenditure of nearly \$1.5 million in tax increment for the project, and making required findings under California Health and Safety Code section 33445 and

WHEREAS, on January 31, 2011, the City Council and PCDC Board adopted resolutions authorizing execution of a cooperative agreement between the City and PCDC committing tax increment funds to specified projects, including commitment of an additional \$7 million to the Rainier Project and making required findings under California Health and Safety Code section 33445; and

WHEREAS, on March 7, 2011, the City Council, the PCDC Board and the Petaluma Public Finance Authority Board authorized proceeding with a private placement of debt intended to generate debt proceeds of up to \$15 million to fund improvement costs for the Old Redwood Highway Interchange and the Rainier Project to secure funding for critical, ongoing projects and activities of the PCDC and to avoid disruption of the City's planned capital improvements and programs as a result of State action; and

WHEREAS, as authorized by applicable law, the PCDC Redevelopment Plans and action of the City Council and the PCDC Board on March 7, 2011, the PCDC has entered into an agreement with an appropriate lender (the "2011 Issuance") to provide for a total of \$10 million in financing

for transportation improvements for the Old Redwood Highway Interchange Project and the Rainier Project; and

WHEREAS, on August 3, 2009, the City Council authorized execution of a cooperative agreement with the Sonoma County Transportation Agency covering funding and other responsibilities of the parties related to the Old Redwood Highway Interchange Project (Old Redwood Agreement); and

WHEREAS, now that up to \$7 million of the funds which were the subject of the City Council and PCDC's approval and findings on January 31, 2011 are available for the City's and/or PCDC's portion of costs related to the Rainier Project, it is appropriate for the City and PCDC to enter a cooperative agreement with the Sonoma County Transportation Agency ("SCTA") in a form substantially similar to the Old Redwood Agreement to define a framework to enable the City, PCDC and SCTA to work cooperatively in developing transportation improvements for the Rainier Project; and

WHEREAS, the funding committed by this action is related to a project which was the subject of the cooperative funding agreement approved by the City and the PCDC on January 31, 2011, by City Resolution No. 2011-016 N.C.S. and PCDC Resolution No. 2011-02, respectively, and which contained detailed CEQA findings for the projects subject to those resolutions, including the Rainier Project. Notices of Determination pursuant to CEQA for the cooperative agreement were filed by the City and PCDC on or about February 7, 2011, and no further CEQA review is required for this action.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Petaluma and the Board of the Petaluma Community Development Commission as follows:

1. The City Manager/Petaluma Community Development Commission Executive Director is hereby authorized and directed on behalf of the City and the Petaluma Community Development Commission ("PCDC") to negotiate and execute an agreement between the City, the PCDC and the Sonoma County Transportation Agency (SCTA) in a form substantially similar to the cooperative agreement between the City and SCTA covering funding and other responsibilities of the parties related to the Old Redwood Highway Interchange Project attached hereto as Exhibit A; providing for the commitment of up to \$7 million in funds from the 2011 Issuance to the Rainier Avenue Cross Town Connector/Interchange Project; and as approved by the City Attorney/PCDC Counsel.
2. The City Manager/PCDC Executive Director is hereby authorized and directed on behalf of the City and the PCDC to undertake such actions and to execute such additional instruments as may be necessary or desirable in order to carry out the intent of this Resolution.
3. If any provision, sentence, clause, section or part of this resolution is found to be unconstitutional, illegal or invalid, such finding shall affect only such provision, sentence, clause, section or part, and shall not affect or impair any of the remaining parts.

PASSED AND ADOPTED by the City Council of the City of Petaluma and the Petaluma Community Development Commission Board on the 21st day of March, 2011 by the following votes:

City Council:

Petaluma Community Development Commission Board:

1614577.2

Resolution No. 2010-009 N.C.S.
of the City of Petaluma, California

RESOLUTION AUTHORIZING PROCEEDING WITH A PROJECT STUDY REPORT FOR THE RAINIER AVENUE CROSS TOWN CONNECTOR, WHICH INCLUDES AN UNDERCROSSING ON US 101 FOR THE EXTENSION OF RAINIER AVENUE (INDEPENDENT ELEMENT 2); CONTINUE TO PURSUE APPROVAL OF THE PROJECT STUDY REPORT FOR THE RAINIER AVENUE INTERCHANGE PROJECT SEPARATELY AND CONCURRENTLY WITH THE PROJECT STUDY REPORT FOR THE RAINIER AVENUE CROSS TOWN CONNECTOR PROJECT; PROCEEDING WITH THE ENVIRONMENTAL DOCUMENT PREPARATION (INDEPENDENT ELEMENT 2); AND CONSENTING TO THE EXPENDITURE OF TAX INCREMENT FUNDS FOR THE RAINIER CROSS-TOWN CONNECTOR PROJECT C00501204, AND ADOPTING FINDINGS REQUIRED BY HEALTH AND SAFETY CODE SECTION 33445

WHEREAS, Sonoma County Transportation Authority (SCTA) will be entering into an agreement with a consultant to prepare the plans, specifications and construction estimate for the Marin Sonoma Narrows C-2 HOV Widening Project (MSN C-2 Project) through Petaluma; and

WHEREAS, the Rainier Avenue Interchange/Cross Town Connector and Undercrossing of US 101 is within the limits of the MSN C-2 Project; and

WHEREAS, the Rainier Avenue Interchange/Cross Town Connector and Undercrossing of US 101 Project Study Report is still under review by Caltrans and may not be approved in time to incorporate the Project's undercrossing structure into the design of the MSN C-2; and

WHEREAS, it is recognized that the Rainier Avenue Interchange/Cross Town Connector and Undercrossing of US 101 Project is in the City of Petaluma's General Plan, and that design and construction of the larger project can be split into two independent elements (Interchange, independent element 1, and Cross Town Connector, including undercrossing of US 101, independent element 2) and still meet the intent of the General Plan; and

WHEREAS, Caltrans has stated their support for the Rainier Avenue Cross Town Connector Project (element 2) ("the Project"), and staff anticipates a letter of concurrence by the time City Council convenes; and

WHEREAS, Caltrans, Sonoma County Transportation Authority (SCTA), and the City agree that by proceeding in a timely fashion with a Project Study Report (PSR) and environmental document for the Project as an independent element (2), the design of the undercrossing structure can be incorporated into SCTA's design of the MSN C-2 Project; and

WHEREAS, incorporation of the undercrossing structure component concurrently into the design of SCTA's MSN C-2 Project will result in earlier receipt of project benefits, cost efficiencies, reduction of traffic disruption and shorter construction duration; and

WHEREAS, California Health and Safety Code Section 33445 provides that redevelopment agencies may, with the consent of the legislative body, pay all or part of the value of land for and the cost of the installation and construction of any building, facility, structure, or other improvements that are publicly owned either within or without the project area, subject to certain specified findings being made; and

WHEREAS, the Project is funded from \$3M City/PCDC; and

WHEREAS, before the PCDC may commit funds for publicly owned improvements, the consent of the legislative body must be given and the following findings must be made in accordance with California Health and Safety Code Section 33445:

1. That the improvements are of benefit to the project area or the immediate neighborhood in which the project is located;
2. That no other reasonable means of financing the improvements is available to the community; and
3. That the payment of funds for the cost of the improvements will assist in the elimination of one or more blighting condition inside the project area, and will be consistent with the implementation plan adopted by the redevelopment agency; and

WHEREAS, the Petaluma Community Development Commission ("PCDC") Five-Year Implementation Plan ("Implementation Plan") for the Central Business District ("CBD") and Petaluma Community Development ("PCD") areas (collectively, the "Project Areas"), approved by the PCDC on June 11, 2007, provides for the transfer of certain specified tax increment funds for the purpose of funding roadway reconstruction and related improvements as more particularly described in the Implementation Plan, including the Project; and

WHEREAS, the public improvements in the Project are of benefit to the Project Areas in that they will improve public facilities and infrastructure within the Project Areas, improve transportation and traffic circulation along both McDowell Blvd. and Old Redwood Highway corridor, and facilitate private investment and revitalization of the Project Areas by alleviating impediments to circulation and access that deter revitalization; and

WHEREAS, City staff is aware of no other source of funds reasonably available to undertake the City's share of funding for the public improvements, as the only other source available for such purpose would be City general fund revenues which are committed for the provision of essential services such as police and fire services; and

WHEREAS, payment of funds for the public improvements will assist in the elimination of blighting conditions in the Project Areas in that they will improve public facilities and infrastructure within the Project Areas, improve transportation and traffic circulation along both McDowell Blvd. and Old Redwood Highway corridor, and facilitate redevelopment of the Project Areas by alleviating impediments to circulation and access that deter revitalization.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Petaluma as follows:

1. Preparation of a PSR and an environmental document for the Rainier Avenue Cross Town Connector Project C00501204 (independent element 2) is approved.
2. Continue to pursue approval of the PSR for the Rainier Avenue Interchange Project separately and concurrently with the PSR for the Rainier Avenue Cross Town Connector Project.
3. Based upon the foregoing recitals, which are declared to be true and correct and hereby incorporated herein as findings of the Petaluma City Council, the City Council finds in accordance with California Health and Safety Code section 33445 and other applicable law that (i) the expenditure of tax increment funds to undertake the public improvements and the Project as set forth in this Resolution and the Implementation Plan will be of benefit to the Project Areas, (ii) no other reasonable means of financing the public improvements and the Project is reasonably available, (iii) completion of the public improvements and the Project will assist in the elimination of blighting conditions in the Project Areas; and (iv) completion of the public improvements and the Project is consistent with the Implementation Plan adopted for the Project Areas.

4. The City Council hereby consents to contribution of \$3M from PCDC to account 5530-Merged Project Area-C00501204 (as scheduled in Exhibit A, attached to this resolution and incorporated herein by reference) for the Rainier Avenue Cross Town Connector Project.

Under the power and authority conferred upon this Council by the Charter of said City.

REFERENCE: I hereby certify the foregoing Resolution was introduced and adopted by the Council of the City of Petaluma at a Regular meeting on the 4th day of January, 2010, by the following vote:

Approved as to form:

City Attorney

AYES: Barrett, Vice Mayor Glass, Harris, Healy, Rabbitt, Renée, Mayor Torliatt

NOES: None

ABSENT: None

ABSTAIN: None

ATTEST:

Claire Cooper
City Clerk

[Signature]
Mayor

EXHIBIT A

Rainier Avenue Cross Town Connector and Undercrossing of US 101 Project C00501204.				
Preliminary Project Cost Estimate				Estimated Time Schedule
Task	Cost Est. (\$000)	Est'd. Dollars Needed (\$000)	Est'd. FY When Dollars Needed	FY -FY
Project Study Report (PSR)	80	none	09-10	01/20010 - 04/20010
Project Approval and Environmental Document (PA&ED)	880	none	09-10	01/2010 - 06/2011
Incorporation of the Rainier Avenue Undercrossing Structure into the Plans, Specifications, and Estimate (PS&E) for MSN C-2 Project	498	none	09/10	01/2010 - 12/2011
Total Project Cost	\$1,449	\$1,449		

Funds Available	As of July 1, 2009 (\$000)
Funds budgeted	3,000
Allocated and encumbered PCDC Fund	1,330
Funds available	1,670
Total cost to prepare the PSR, Environmental Document and design of the undercrossing structure for MSN C-2	\$ 1,449
Total Project Cost	\$2,779

