

FUNDING the PLAN

As detailed in the Implementation chapter, full implementation of the master plan update will require construction of numerous public capital improvement projects that will enhance the riverfront for residents, businesses, and visitors. The purpose of this chapter is to summarize the priority public projects, their costs and anticipated timing, and the funding sources targeted to pay for the improvements. This chapter does not go into detail on how to pay for maintenance and operating costs associated with new riverfront improvements and/or programming, although it does acknowledge the need for new maintenance and operation funding and introduces some ideas that should be more fully explored.

PRIORITY PUBLIC PROJECTS

Table 1A summarizes the riverfront priority public projects that are recommended for construction in the 0 to 15-year time frame. The table breaks the improvements into several categories, including Joint Projects for which the two cities will collaborate to secure funding and manage construction, and West Sacramento and Sacramento projects, for which the respective cities will take primary responsibility.

The estimated cost for each improvement is listed in the second column of the table¹. Next, the third column identifies the riverfront master plan update theme that each project addresses and also includes a distinct number. For example, project C-1 is the first project that addresses the master plan theme of “Connectivity.” The last two columns of the table distribute estimated total cost for each project according to the anticipated project timing. For some projects, initial work would be performed within the 0-5 year time frame and completion is anticipated for the 6-15 year time frame. It should be noted that all of the projects listed on Table 1A are considered “high” priority for implementation; however, as indicated in the funding schedule, practical constraints may limit the ability to implement certain projects until the 6-15 year time period. For example, although the pedestrian improvements to the “I” Street Bridge are of key importance to the master plan update, it is recognized that at most, planning, design, and permitting for this project can be completed within 0-5 years, and the actual construction would not occur until the 6-15 year time frame.

¹ Please see Appendix E for detailed cost assumptions.

Priority Public Projects (0 to 15 years)
Sacramento Riverfront Master Plan

Table 1A: Priority Public Project Costs

07/10/03

Joint Projects	Total Cost	Riverfront Themes*	Cost by Project Timing	
			0-5 Years	6-15 Years
Central Loop Bridge Improvements				
"I" Street Bridge - Improve pedestrian/bike access and connections	\$12,200,000	C-1	\$3,700,000	\$8,500,000
"I" Street Bridge - Painting and lighting, and deferred maintenance	\$10,000,000	C-2		\$10,000,000
Tower Bridge - Improve pedestrian/bike access and connections	\$8,700,000	C-3	\$8,700,000	
Pedestrian Bridge Design Competition	\$1,000,000	C-4		\$1,000,000
Riparian Enhancements - W. Sacramento side				
Riverfront Park Edge - "E" St. to "I" St. Bridge	\$120,000	G-1		\$120,000
"I" Street Bridge to Lighthouse	\$2,670,000	G-2		\$2,670,000
Tower Bridge to Garden Street	\$900,000	G-3	\$900,000	
Garden Street to Pioneer Bridge	\$1,150,000	G-4		\$1,150,000
Pioneer Bridge to Stone Lock Bluff Park/South River Road Bridge	\$3,920,000	G-5		\$3,920,000
Riparian Enhancements - Sacramento side				
"I" Street Bridge to R Street Plaza	\$1,540,000	G-6	\$600,000	\$940,000
"R" Street Plaza to Miller Park	\$1,540,000	G-7		\$1,540,000
Subtotal-Shared	\$43,740,000		\$13,900,000	\$29,840,000
West Sacramento				
Riverfront Circulation				
<i>Riverfront Trails</i>				
"I" Street Bridge to Lighthouse	\$705,000	C-5	\$705,000	
Lighthouse to Bryte Bend Bridge	\$705,000	C-6		\$705,000
Pioneer Bridge to Stone Lock Bluff Park/South River Road Bridge	\$960,000	C-7		\$960,000
<i>Formal Promenades</i>				
E Street to "I" Street Bridge	\$250,000	C-8	\$250,000	
Tower Bridge to Garden Street	\$950,000	C-9	\$950,000	
Garden Street to Pioneer Bridge	\$1,320,000	C-10	\$1,320,000	
Open Space/Landscape Enhancements				
Riverfront Park Completion - "E" St. to "I" St.	\$510,000	P-1	\$510,000	
"I" St. Bridge Viewing Platform	\$140,000	P-2		\$140,000
Waterfront Features				
Triangle Amphitheater	\$1,360,000	P-3		\$1,360,000
Pedestrian Plaza - Triangle	\$90,000	P-4		\$90,000
Pedestrian Plaza - Garden Street	\$310,000	P-5		\$310,000
Triangle Public Steps	\$1,010,000	P-6		\$1,010,000
Triangle Terrace	\$4,640,000	P-7		\$4,640,000
Piers/Docks				
Pier - South Triangle	\$460,000	N-1		\$460,000
Pier/Visitor Boat Dock - "E" Street (**)	\$1,100,000	N-2	\$550,000	\$550,000
Pier/Visitor Boat Dock - North Triangle	\$1,100,000	N-3		\$1,100,000
Street Extensions				
"E" Street to Levee (**)	\$960,000	N-4	\$480,000	\$480,000
"F" Street to Levee	\$960,000	N-5		\$960,000
Subtotal-West Sacramento	\$17,530,000		\$4,765,000	\$12,765,000

Notes:

** Assumes 50 percent grant participation by State Department of Boating and Waterways and/or Fish and Game. 0-5 year column shows commitment of local "identified funds" and 6-15 year column assumes funding from state grants sources. The City of West Sacramento would likely only fund planning and design of the Pier/Visitor Boat Dock at "E" Street in the 0-5 year time frame if outside grant funds are not obtained.

Shaded cells indicates 0-5 year projects that could be funded relying only on local "identified funds" shown in Table 1B. Securing Proposition 50 funding as indicated on Table 1B would allow construction of all projects designated for the 0-5 year time frame.

Priority Public Projects (0 to 15 years)
 Sacramento Riverfront Master Plan
Table 1A: Priority Public Project Costs, continued

7/10/03

Sacramento	Total Cost	Riverfront Themes*	Cost by Project Timing	
			0-5 Years	6-15 Years
Riverfront Circulation				
<i>Riverfront Trails</i>				
"I" Street Bridge to Discovery Park	\$940,000	C-11	\$940,000	
Pioneer Bridge to Miller Park	\$470,000	C-12	\$470,000	
<i>Formal Promenades</i>				
Plaza of Lights to "R" Street Plaza	\$3,200,000	C-13	\$3,200,000	
"R" Street Plaza to Pioneer Bridge	\$1,300,000	C-14	\$550,000	\$750,000
Old Sac Promenade to "I" Street Bridge Reconfiguration	\$960,000	C-15	\$960,000	
Open Space/Landscape Enhancements				
Docks Area Parks - North and South	\$3,080,000	P-8	\$1,000,000	\$2,080,000
Railyards Park	\$7,700,000	P-9	\$1,540,000	\$6,160,000
Silt Diverter @ Miller Park Boat Ramp	\$1,020,000	N-6	\$1,020,000	
Jibboom Street Park				
Building Retrofit and Riverside Terrace	\$3,840,000	P-10		\$3,840,000
Jibboom St. Park	\$1,850,000	P-11	\$1,850,000	
Paint Jibboom St. Viaduct Railing and Structure	\$2,500,000	N-7	\$2,500,000	
Waterfront Features				
R Street Plaza	\$1,060,000	P-12		\$1,060,000
Piers/Docks				
Fishing Pier - North of Tower Bridge	\$920,000	N-8	\$920,000	
Fishing Pier - South of Tower Bridge	\$460,000	N-9	\$460,000	
Visitor Boat Dock - South of Tower Bridge	\$1,100,000	N-10	\$1,100,000	
Visitor Boat Dock - Docks Area	\$1,100,000	N-11	\$1,100,000	
Visitor Boat Dock- Jibboom Street Park Site	\$1,100,000	N-12	\$1,100,000	
Subtotal-Sacramento	\$32,600,000		\$18,710,000	\$13,890,000
GRAND TOTAL, RIVERFRONT	\$93,870,000		\$37,375,000	\$56,495,000

Notes:

Shaded cells indicates 0-5 year projects that could be funded relying only on local "identified funds" shown in Table 1B. Securing Proposition 50 funding as indicated on Table 1B would allow construction of all projects designated for the 0-5 year time frame.

See Appendix D for detailed cost estimates and references.

***Key to Riverfront Themes**

- C = Establishing a Web of Connectivity
- G = Enhancing the Green Backbone of the Community
- P = Creating Places for Celebration
- N = Creating Riverfront Neighborhoods and Districts

Sources: WRT, LLC.; City of Sacramento; City of West Sacramento; BAE.

As shown in Table 1A, Joint Projects total about \$44 million in costs. Of this, projects costing about \$14 million are scheduled for the 0-5 year time frame, and improvements worth about \$30 million are scheduled for the 6-15 year time frame. Individually, Table 1A targets about \$15 million in improvements for West Sacramento and about \$21 million for Sacramento in the 0-5 year time frame. In the 6-15 year time period, the table identifies about \$3 million in improvements for West Sacramento and \$10 million for Sacramento.

Projects Targeted for Use of Local “Secured” Funds

A number of the projects listed in Table 1A have been targeted for use of local secured funds, as indicated in the column labeled “Funding Secured.” Secured funds are monies that either West Sacramento or Sacramento have in their control at this time and can commit to riverfront improvements in the next 0-5 years. The plan targets the use of approximately \$23 million² in secured funds to help pay for projects with costs totaling approximately \$28 million during the 0-5 year time period. In the absence of any other outside funding assistance (e.g., contributions from other agencies, grants, etc.), the shortfall would likely need to be covered by deferring actual construction of some improvements until the 6-15 year time period, but undertaking planning and design for those improvements in the 0-5 year time period. The Joint Financing Strategy, below, discusses methods that the two cities can use to collaborate and leverage their secured funds to obtain additional funding to pay for the remaining project costs.

JOINT FINANCING STRATEGY

This section briefly discusses options for the Cities of West Sacramento and Sacramento and other agencies with riverfront jurisdiction to collaborate on financing riverfront improvements. As discussed above, after accounting for current secured funds that can be committed to riverfront improvements, there is still a funding gap of approximately \$69 million for the priority listed in Table 1A. In addition, there are other important riverfront improvements that will likely require more than 15 years for implementation that will require additional funds. This joint financing strategy calls for coordination as a means to facilitate the individual and collaborative actions of different agencies that will be necessary to generate the funding to required for master plan implementation.

Short Term Strategy

In the short term, the most important aspect of a joint riverfront improvement financing strategy is for the cities of Sacramento and West Sacramento to proceed based on the shared vision articulated in the master plan and the road map for implementation

that the plan provides. During implementation, it will be critical that the two cities coordinate their efforts to secure and expend funds necessary to implement the plan. Following is a discussion of several key short-term financing activities.

Commit “Secured” Local Funding for 0-5 Year Period

In the short term, there is a great deal of interest in implementing various riverfront improvements. Fortunately, as mentioned above, there are limited sources of local “secured” funds that can be committed to finance riverfront improvements within the next five years. As shown in Table 1B, between them, the Cities of West Sacramento and Sacramento are capable of committing limited funding that has already been secured to priority public projects on the riverfront during the next five years. This master plan update proposes that the two cities commit these funds to riverfront implementation projects, as the first piece of the funding package for master plan implementation. This is recommended based on the recognition that installing certain key public improvements in the short term will likely serve as a catalyst for private development along both sides of the river. In addition, by constructing key projects early on, the cities will show the public that their efforts to participate in the master plan update process are paying off by producing some visible “wins” toward master plan implementation. Therefore, it is desirable for the two cities to make some early investments in riverfront improvements with the idea that, if necessary, some of these expenditures could eventually be reimbursed once new development in adjacent areas begins generating fee revenues.

One option to manage short term financing needs that has not been incorporated into Table 1B is asking developers to make up-front investments in public improvements beyond their basic obligations, to be reimbursed by future development or by issuing credits against obligations associated with future development. This mechanism may be useful to advance construction of public improvements concurrent with specific private development projects with which they are associated.

Appendix B contains a more complete description of various local “secured” funds that can be committed to riverfront improvements.

Identify and Pursue Joint Funding Opportunities

Collaboration between the two cities has been an important theme of the master planning process. The public has strongly endorsed the concept that the two cities must pool resources and cooperate to improve the riverfront. In order to build the momentum for that cooperation, the two cities must immediately work together, and with other agencies, to identify and then fund joint projects that will benefit both sides of the river.

² West Sacramento’s commitment of Tax Increment funds over the 0-5 year period is contingent upon continued availability of annual tax increment flows to the West Sacramento Redevelopment Agency during the next five years. Should state budget cuts impact local redevelopment finance, riverfront funding commitments may have to be reduced.

Priority Public Projects (0 to 15 years)
Sacramento Riverfront Master Plan

Table 1B: Funding for Priority Public Projects

	Project Timing		
	Total	0-5 Years	
GRAND TOTAL, RIVERFRONT PROJECT COSTS, TABLE 1A	\$ 93,870,000	\$ 37,375,000	\$ 56,495,000
FUNDING SOURCES (See descriptions of funding sources in Appendix A)			
Identified Funds	0-5 Years	6-16 years	Responsible Agencies
Transportation Grants - Tower Bridge Funding	\$7,000,000		City of Sacramento/City of W. Sacramento
Capital Improvements Program (Measure J/K Funds)	\$1,500,000		City of West Sacramento
Tax Increment - West Sacramento	\$3,860,000		City of West Sacramento
Tax Increment - Sacramento	\$4,000,000		City of Sacramento
Proposition 40 Per Capita - Sacramento	\$2,400,000		City of Sacramento
Proposition 40 River Opportunity Fund	\$3,000,000		City of Sacramento
Proposition 13 / Utilities Fund	\$750,000		City of Sacramento
Proposition 12 Per Capita	\$100,000		City of Sacramento
Subtotal	\$22,610,000	\$0	
Prop. 50 Needs to Fund Balance 0-5 Year Projects	\$14,765,000	\$0	(Total 0-5 Year Costs from Table 1-A, Minus Identified Funds)
Proposition 50 Funding Estimate	\$ 20,000,000		City of Sacramento/City of W. Sacramento/SAFCA/Sacramento County
Balance of Prop. 50 Funding Available to Accelerate 6-15 Year Projects	\$5,235,000		
Total 5-16 Year Project Costs		\$56,495,000	(Total 6-15 Year Costs from Table 1-A)
Total Outstanding Funding Needs After Allocating Full Prop. 50 Funding Estimate		\$51,260,000	(To be funded from potential sources listed below)
Potential Local Sources			
Developer Contributions	\$ t.b.d.	\$ t.b.d.	City of Sacramento/City of W. Sacramento
Modifications to Existing Fee Programs	\$ t.b.d.	\$ t.b.d.	City of Sacramento/City of W. Sacramento
Sacramento County Measure A Reauthorization	\$ t.b.d.	\$ t.b.d.	City of Sacramento
New Impact Fee Programs	\$ t.b.d.	\$ t.b.d.	City of Sacramento/City of W. Sacramento
New Assessment Districts	\$ t.b.d.	\$ t.b.d.	City of Sacramento/City of W. Sacramento
Subtotal	\$ t.b.d.	\$ t.b.d.	
Potential Grant Funding Sources			
Sacramento Area Council of Governments Community Design Funding Program	\$ t.b.d.	\$ t.b.d.	City of Sacramento/City of W. Sacramento
Department of Boating and Waterways (Docks)	\$ t.b.d.	\$ t.b.d.	City of Sacramento/City of W. Sacramento
Department of Fish and Game (Piers)	\$ t.b.d.	\$ t.b.d.	City of Sacramento/City of W. Sacramento
State and Federal Transportation Grants	\$ t.b.d.	\$ t.b.d.	City of Sacramento/City of W. Sacramento
Army Corps of Engineers (possible contributions for Miller Park Silt Diverter)	\$ t.b.d.	\$ t.b.d.	City of Sacramento
Subtotal	\$ t.b.d.	\$ t.b.d.	

Sources: City of Sacramento; City of West Sacramento; BAE.

The Cities of West Sacramento and Sacramento, through their cooperation on the Tower Bridge pedestrian enhancements project, have demonstrated that they are comfortable with the concept of sharing responsibility for connections between the two cities. The two cities should continue to follow this model as they prepare to move forward to seek funding for priority public projects that cannot be funded entirely with local “secured” funds. In fact, the two cities and the Sacramento Area Flood Control Agency (SAFCA) have already initiated this process, by collaborating on a joint proposal to obtain funding allocations of funding from State Proposition 50. The cooperating agencies are preparing to request allocation of Proposition 50 funding for a package of riverfront improvements that includes the priority public projects in Table 1A and also includes some projects along the lower American River. Should the cooperating agencies be successful in their funding allocation request, the additional Proposition 50 funding would potentially allow the two cities to provide funding for most of the \$27 million gap between cost of priority public projects proposed for the 0-5 year period and the local secured funds that can be committed at this time to riverfront improvements. Still, approximately \$7 million in additional revenues would need to be secured from other funding sources. The lower part of Table 1B lists a number of potential funding sources to close this gap, including other potential grant funding sources and other potential locally-controlled funds. Appendix B contains descriptions of such potential funding sources.

Although discussed specifically in regard to Proposition 50 funding, this model for coordination makes sense for other funding sources as well. The two cities and SAFCA, along with other regional agencies, must evaluate funding opportunities on an ongoing basis and make strategic decisions regarding which funding sources to pursue, and the best method of applying for those funds. In some cases, it will be advantageous for the individual agencies to apply for grants, and in other cases, for the agencies to make joint applications.

Given the regional significance of the Sacramento riverfront, the cities should explore expanding partnerships with their respective counties to provide joint funding for riverfront amenities, such as boating facilities, parks, and greenways. For example, under the funding formulas established for per capita grant portion of Proposition 40, the cities and counties combined would have access to over \$5 million in funding that could potentially be directed to improvements benefiting residents of both counties. Without the participation of the counties, the available funds would be much less.

Long-Term Strategy

Fully Develop Local Capital Funding Mechanisms

In establishing an overall funding program for riverfront improvement, it will be necessary for the two cities to establish new sources of locally controlled funds that can be dedicated toward riverfront improvements. To do so, the cities will need to firmly link riverfront development with master plan improvements, by updating existing fee programs and adopting new fee programs. In addition to local fee programs, it is recommended that the two jurisdictions also consider mechanisms such as the establishment of assessment districts, incorporating riverfront circulation improvements into the project list for Sacramento County's Measure A (transportation sales tax over-ride) reauthorization, and obtaining developer contributions in conjunction with new development projects.

Clearly, the private sector must be called upon to help fund riverfront improvements. At the same time, the Cities should consider the timing and location of planned private developments to correspond with specific public improvements so a critical mass of public and private investments to create the desired catalyst effect and add economic value to the riverfront location. Riverfront improvements will help make subsequent development projects more economically attractive and more feasible for the private sector to shoulder a share of the public improvement costs.

Having sources of locally controlled money will provide a known core of funding for key improvements that can be anticipated during the implementation period, as the riverfront area develops. These locally controlled funds can serve as the local match or "leverage" to obtain outside grant funds that can assist with implementation. Appendix B contains a listing and descriptions of various local funding mechanisms that could potentially be developed to benefit the riverfront.

Expand Cooperative Relationships

Over the longer term, the two cities and other agencies with riverfront jurisdiction should consider options that would formalize their cooperative relationship, to obtain capital funding as well as to secure revenues to maintain riverfront improvements and to provide increased programming along the riverfront. One option is the formation of a "conservancy" that would be a new entity having jurisdiction over an area that includes the riverfront and empowered to manage regional resources, such as the Sacramento River corridor. Another option is the formation of a joint powers authority (JPA) among cooperating entities. Specific organizational and legal structures would need to be examined in relation to the scope of activities to be undertaken. In either case, the concept of shared jurisdiction over the riverfront recognizes that the two sides of the

river are not independent. There are physical ties between the two banks, such as bridges, that must be planned, developed, and maintained cooperatively. Water quality and animal habitat issues on one side of the river will affect the other side. Interdependence is inevitable; thus, cooperation is required.

Examples of river corridor conservancies in California include the San Joaquin River Conservancy, which operates on both sides of the San Joaquin River along the San Joaquin River Parkway, from Friant Dam to Highway 99, and the San Diego River Conservancy, which manages public lands along the river's 52-mile length. Both are agencies of the State of California, created by state legislation, and are governed by boards representing their regions. Legislation forming these conservancies included allocations of grant funding. For example, the legislation approved in September 2002 to form the San Diego River Conservancy earmarked \$12 million of capital funds from Proposition 13 and Proposition 40 to help fund restoration projects along the river corridor.

Another regional conservancy within the state is the California-Tahoe Conservancy, which was also formed by state legislation and is also a state agency. The California-Tahoe Conservancy only has jurisdiction on the California side of the lake; however, an interesting feature of this conservancy is the fact that it has an ongoing funding source in the form of proceeds from a special state "vanity" license plate that motor vehicle owners can purchase. Each year, the owners pay a surcharge along with their base registration fees that supports the conservancy.

In contrast to the publicly-chartered conservancies just mentioned, there are numerous examples of conservancies that essentially operate as non-profit corporations overseeing their own privately-held landholdings. One example of such an organization is the Peninsula Open Space Trust on the San Francisco Peninsula. Organizations such as these typically are supported by private charitable contributions and by obtaining grants of public funds for specific land acquisition and preservation projects. The Central Park Conservancy, in New York City, is an example of a hybrid organization that involves a private, non-profit organization that has been granted responsibility to maintain and enhance public lands. This organization was founded in 1980 and now manages Central Park under contract with the City. According to the organization's web site, it provides over 85 percent of the park's \$20 million annual operating budget and has raised almost \$300 million to invest in the park since its founding. During this time, the Conservancy reports that it has restored over 75 percent of the park's 842 acres. In addition to charitable contributions and contributions from public agencies, the Central Park Conservancy also generates income from park concessions.

A key advantage to consider in conjunction with formalizing multi-agency cooperation to accomplish riverfront objectives, is the potential to develop dedicated funding sources for both capital and operation and maintenance purposes. This acknowledges the benefit of having an identified, stable source of funding that can be anticipated during the long-term master plan implementation process. It also acknowledges that the development of the desired public improvements will create new maintenance responsibilities and the need for ongoing funding to provide programming that will animate the riverfront areas and help to draw visitors.

In order to avoid draining resources away from other needs, it would be desirable to secure new revenue sources to support increased maintenance and programming activities along the riverfront. One possibility is to seek authorization for a regional sales tax measure that would be distributed to individual jurisdictions for specified purposes. Another option is a special marine gas tax that could be collected within the conservancy area and then dedicated to enhancements within the area. Additionally, riverfront venues, such as amphitheaters, can create the potential to generate revenues from concessions. Another option includes sponsorship revenues from corporate underwriters.

Develop Regional Constituency for Riverfront Improvements

While it is critical to fully develop locally controlled funding sources to generate revenue for riverfront improvements, in order to spread the burden equitably and to position these improvements for successful pursuit of state and federal grants, they need to be presented to the rest of the surrounding region as benefiting the larger area as well. Ways of demonstrating these benefits include highlighting the function of the riverfront as a signature feature of the region, calling out the riverfront's critical function within the regional ecosystem, and identifying its function in the regional transportation system, including the need to provide enhanced linkages between Yolo and Sacramento Counties. The creation of a conservancy or other multi-jurisdictional entity that acknowledges these regional ties by including a diverse governing board representing the broader region would likely help gain buy-in from key regional representatives.

Coordinate Resources to Lobby on Federal and State Levels for Funds

The Cities of Sacramento and West Sacramento both employ lobbyists to help represent their interests in the state and federal political realms. Given a heavy emphasis in this master plan update on state and federal grants as potential long-term funding sources for various riverfront improvements, it will be critical for the cities to combine their lobbying resources effectively to help position them to obtain grant funds. Appendix C contains a listing and description of various State and federal grant programs that could be targeted to leverage locally controlled funds for riverfront improvements.