

STAFF REPORT REGULAR MEETING

AGENDA DATE: July 7, 2026

DEPARTMENT: Public Works & CRA

TITLE:

Interlocal Agreement with the CRA for funding of road improvements on S D Street from 3rd Ave S to 6th Ave S and N D Street from Lucerne Ave to 3rd Ave N

SUMMARY:

The CRA will transfer funding and increase the expenditure from \$400K to \$700K with money from last fiscal year's budget.

BACKGROUND AND JUSTIFICATION:

The CRA funded City roadway improvements between Lake and Lucerne Avenues from B to H Streets last fiscal year. The project came in at \$300,000 under budget, which was put in the Capital budget's fund balance. The CRA budgeted \$400,000 in roadway and sidewalk improvements for FY 26 within the CRA District. The roadways on D street from 6th Ave S to 3rd Ave N, from Lucerne to 3rd Ave N and on 2nd Ave N from C to D Streets will be milled and paved with the sidewalks replaced, with the City to manage the project.

The CRA will transfer the funding upon completion of the project. The Interlocal has been revised to increase the expenditure from \$400,000 to \$700,000 using the \$300,000 from fund balance.

MOTION:

Move to approve/disapprove the Interlocal Agreement with the CRA for funding of road improvements on S D Street from 3rd Ave S to 6th Ave S and N D Street from Lucerne Ave to 3rd Ave N in the amount of \$700,000.

ATTACHMENT(S):

Fiscal Impact Analysis – See Eight Budget Amendment Resolution No. 26-2026
Interlocal Agreement
CRA Memo
Cost Estimates