



**Sacramento  
Housing &  
Redevelopment  
Agency**

September 15, 2004

3.3

Redevelopment Agency  
of the City of Sacramento  
Sacramento, California

Honorable Members in Session:

SUBJECT: ACQUISITION OF 3425 BROADWAY

**LOCATION & COUNCIL DISTRICT**

3425 Broadway – Oak Park Redevelopment Area, Council District 5

**RECOMMENDATION**

Staff recommends adoption of the attached resolution on page 6 which authorizes the Executive Director or her designee to:

- Set just compensation for the property located at 3425 Broadway as the appraised value based on an independent appraisal;
- Purchase the property for not substantially more than just compensation;
- Take all other actions necessary to purchase the property on a voluntary basis; and,
- Transfer \$150,000 to the 3425 Broadway Project from 1999 Oak Park CIRB funds – Commercial Acquisition (\$78,931) and Oak Park tax increment funds - Commercial Acquisition (\$71,069).

**CONTACT PERSONS**

Lisa Bates, Community Development Director, 440-1322  
Chris Pahule, Community Development Program Manager, 440-1322

**FOR COUNCIL MEETING OF** - September 28, 2004

**SUMMARY**

This report recommends that the Redevelopment Agency acquire a vacant lot at 3425 Broadway. The property is located on the northwest corner of Broadway/35<sup>th</sup> Street in the heart of historic Oak Park, which is designated as an arts and entertainment district in the Broadway / Stockton Urban Design Plan (Attachment I – site location). The

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development of the property in a manner consistent with the Urban Design Plan's goals is critical for the overall development of the district.

### **PAC ACTION**

At its meeting on July 7, 2004, the Oak Park Project Area Committee adopted a motion recommending approval of the attached resolution. The votes were as follows:

AYES: Davis, Hearne, Johnson, Moore, Parker, Sumpter and Williams

NOES: Azar

ABSENT: Ligons, Marion and White

### **COMMISSION ACTION**

At its meeting September 15, 2004, the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolutions. The votes were as follows:

AYES: Burruss, Coriano, Gore, Harland, Hoag, Piatkowski, Stivers, Simon

NOES: None

ABSENT: Burns, McCarty

### **BACKGROUND**

The vacant lot at 3425 Broadway is a small, one-quarter acre property located in the heart of historic Oak Park's 35<sup>th</sup> Street District as identified in the Broadway / Stockton Urban Design Plan, adopted by City Council in 1998. The triangular-shaped property is currently vacant, but was once a small service station. In 1999, the Redevelopment Agency (Agency) executed a long-term lease for a public parking lot with the owner, Mr. Art Ballard; funded environmental studies for the site; and removed two underground storage tanks in order to begin design work. For the next few years, Agency staff worked on delivering a parking lot at the site, but was unable to secure a funding source to maintain the improvements. Since then, there have been significant developments in the 35<sup>th</sup> Street District that warrant an Agency acquisition of the property.

Over the past few years, the 35<sup>th</sup> Street District has witnessed a significant amount of public and private investment. The St. HOPE Development Corporation (SHDC) has been instrumental in realizing the goals in Broadway / Stockton Urban Design Plan to create an arts and entertainment district. The award-winning 40 Acres Complex and

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Guild Theater project was completed in May 2003, and is located across the street from 3425 Broadway. Immediately east of 3425 Broadway is another vacant building owned by SHDC, who intends to fully rehabilitate the building and lease the property to a pediatrician.

Additionally, many of the new investments in the District have been made by utilizing the Agency's Commercial Revitalization Program. These projects include the historic US Bank building located at 3418 Broadway, the former Goodwill building located at 3409 Broadway, the Vision's Window Coverings building located on 2<sup>nd</sup> Avenue and the Brickhouse Art Gallery at 36<sup>th</sup> Street and Broadway.

Most recently, property owners in the commercial district of Oak Park, including the 35<sup>th</sup> Street District, agreed to assess themselves for a common set of objectives. The Oak Park Property and Business Improvement District (PBID) was formed in August 2004 to improve public safety and maintenance, advocate on behalf of the PBID, advertise and promote economic development and an overall image enhancement program for the area. The Oak Park PBID provides a potential funding source for maintenance of public improvements at 3425 Broadway.

Because of the significant public and private investment in the 35<sup>th</sup> Street District, the formation of the Oak Park PBID and the Agency's commitment to develop the vacant lot according to the recommendations in the Broadway/Stockton Urban Design plan, this report recommends acquisition of 3425 Broadway.

Following the acquisition of the property, Agency staff will work with the community to determine the best use for the site. Potential uses include the parking lot, an urban plaza or a mixed-use type of development. The urban plaza project is listed as a priority acquisition project in the City of Sacramento's Parks Programming Guide for Planning Area 5, although no commitment has been made to develop the site in this manner. The Agency intends to work closely with the Project Area Committee, the PBID board and the general community to determine the eventual use.

### **FINANCIAL CONSIDERATIONS**

This report recommends reprogramming \$78,931 from 1999 Oak Park Capital Improvement Revenue Bond (CIRB) funds – Commercial Acquisition and \$71,069 from Oak Park tax increment – Commercial Acquisition fund to cover all costs of acquisition of 3425 Broadway.

### **POLICY CONSIDERATIONS**

The recommended action in this report is consistent with existing Agency policies and the implementation plan for the Oak Park Redevelopment Area. This report is also

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consistent with the City's Strategic Plan goal to "Enhance and Preserve the Neighborhoods."


### ENVIRONMENTAL REVIEW

Acquisition of the property as described herein is in furtherance of the Oak Park Redevelopment Plan. Pursuant to California Environmental Quality Act ("CEQA") Guidelines Section 15180, actions to eliminate blight and encourage redevelopment in a redevelopment area were deemed approved at the time of adoption of the redevelopment plan and the Program EIR. Once the scope of development of this property has been defined, environmental review of the proposed project will be conducted. Acquisition of property does not commit the Agency to proceed with a project. Subsequent environmental review once the project has been defined is authorized under CEQA pursuant to *Stand Tall on Principles vs. Shasta Union* (235 Cal App 3<sup>rd</sup> 772). Therefore, this action is exempt from environmental review. NEPA does not apply.

### M/WBE CONSIDERATIONS

The items discussed in this report have no M/WBE impact; therefore M/WBE considerations do not apply.

Respectfully submitted,

  
for ANNE M. MOORE  
Executive Director

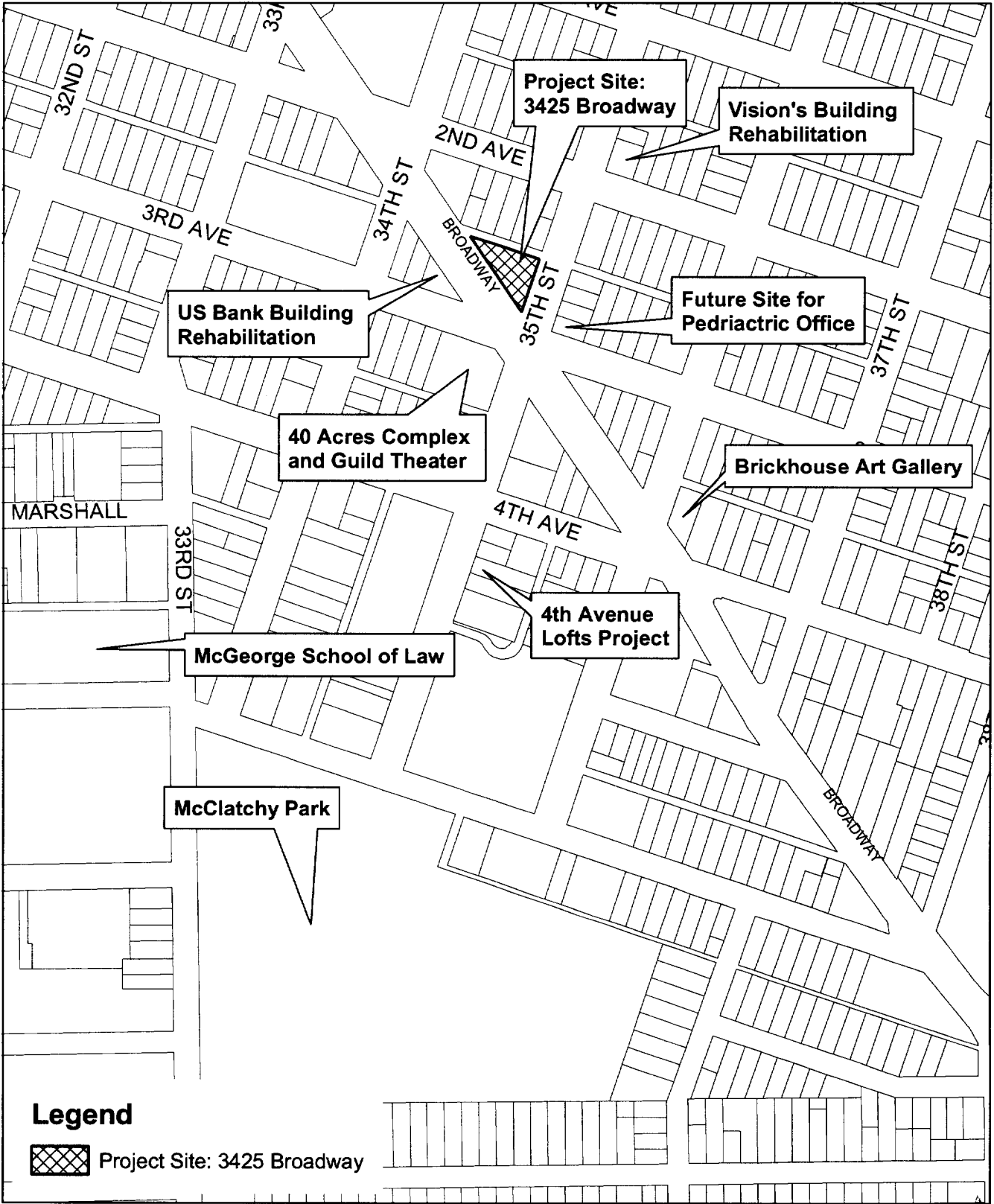
Transmittal approved,

  
ROBERT P. THOMAS  
City Manager

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# Oak Park:35th Street District



### Legend

 Project Site: 3425 Broadway

**RESOLUTION NO. \_\_\_\_\_**

**ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO**

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

**ESTABLISHING JUST COMPENSATION FOR THE PARCEL  
LOCATED AT OR NEAR 3425 BROADWAY (APN 010 0375 008 0000) AND  
AUTHORIZING THE EXECUTIVE DIRECTOR TO CARRY OUT ALL NECESSARY  
ACTIONS RELATED TO NEGOTIATED ACQUISITION**

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF  
SACRAMENTO:

Section 1. The Executive Director is authorized to take all actions enter into all agreement as may be reasonably necessary to purchase, for not substantially more than just compensation, the real property commonly known as 3425 Broadway (APN 010 0375 008 0000) ("Parcel").

Section 2. Just compensation for the Parcel is the fair market value as determined by independent appraisal prepared by a qualified independent appraiser.

Section 3. The Executive Director is authorized to amend the Agency budget to transfer \$150,000 (\$78,931 from the 1999 Oak Park Capital Improvement Revenue Bond funds and \$71,069 in Oak Park tax increment) to the 3425 Broadway Project to acquire the property and carry out related actions.

\_\_\_\_\_  
CHAIR

ATTEST:

\_\_\_\_\_  
SECRETARY

\_\_\_\_\_  
**FOR CITY CLERK USE ONLY**

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

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