

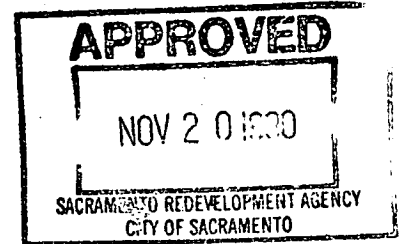


**SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY**



9.2

November 20, 1990



Redevelopment Agency of the
City of Sacramento
Sacramento, California

Honorable Members in Session:

SUBJECT: Acquisition of Listed Properties in the Del Paso Heights
Area

SUMMARY

This report requests authorization for the Executive Director to proceed with negotiations for the acquisition of listed properties in the Del Paso Heights Project Area for single family housing development.

BACKGROUND

In August of 1989, the Sacramento Housing and Redevelopment Agency completed a Revitalization Strategy for Del Paso Heights which identified actions necessary to achieve an upgraded and revitalized economic base in the redevelopment project area. Studies of Del Paso Heights have consistently identified the need to intensify residential uses in order to strengthen the market base. The area's access to Downtown and large amount of vacant land lends itself to a pro-active development strategy. Staff is committed to bringing economic diversity to Del Paso Heights through residential development which meets the needs of a wide range of income levels. The first component of that strategy was recently initiated by the Agency's approval of the Rural California Housing Corporation plans to construct 52 units of self-help housing along Rio Linda Boulevard. These houses will be targeted for homeownership by low to moderate income families.

11-20-90
D-2

(1)

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency of the
City of Sacramento
November 20, 1990
Page 2

To compliment that development and further increase the economic and residential base, staff is poised to begin an ambitious plan to bring market rate housing to Del Paso Heights. Given that the median housing price in Sacramento approximates \$140,000, it is staff's goal to use that figure as a standard to attract a housing developer(s) able to produce homeownership opportunities which raise the Del Paso Heights market price and quality of construction.

The area identified for this development, described in the Del Paso Heights Revitalization Strategy as a Planned Unit Development (PUD), encompasses approximately fifty-three acres bounded by Norwood Avenue, Ford Road, Altos Avenue and Arcade Creek (see Maps attached as Attachment A and B). The overall density is quite low with the majority of the lots measuring 330 feet in depth. Approximately 39% of the 112 parcels are vacant thus lending a rural character to the area. (See land use attached as Exhibit C).

The existing housing stock, primarily single-family, varies widely from older units to ranch style homes and newer well-maintained houses. Based on City of Sacramento Assessor's Records, approximately 31% of the parcels contain owner-occupied houses, 30% are rentals, and 39% of the parcels are vacant. (See Exhibit D).

Though the Revitalization Strategy suggests the development of the 53 acre section, staff recommends concentrating its initial activity in the blocks bounded by Norwood Avenue, Ford Road, Taylor Avenue and Arcade Creek because this area contains the largest amount of vacant and underutilized property in the targeted area. In addition, the smaller section is proposed in order to achieve development of a complete subdivision, complimented with reconfigured lots and other amenities a subdivision can offer. Focusing on a concentrated housing development site, as opposed to a scattered development throughout the larger boundaries, maximizes the use of limited existing funds by creating a high impact, highly visible project.

It is anticipated that this will be the initial phase with other portions of the area being developed as subsequent phases.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency of the
City of Sacramento
November 20, 1990
Page 3

The first step in the implementation process is control of property within the targeted area. Initial focus will be on the acquisition of properties currently listed for sale. Currently one lot is for sale at 445 Carroll Avenue. (See Exhibit E). Pending Agency approval, staff will negotiate the purchase of this property as well as any others that may become available on the market. These acquisitions will be based upon fair market value and will be subject to the California Relocation Act and Real Property Acquisition Guidelines. Based upon initial estimates, it is anticipated that existing Agency funds could acquire approximately five acres with improvements.

Staff has ordered appraisals for additional properties within the targeted area. Once the appraisals have been completed, staff will forward a report requesting the establishment of just compensation and authorization to begin negotiations for those parcels.

Throughout this acquisition process, staff will work with developers to initiate a residential project consistent with the goals of the Revitalization Strategy and the community's call for market rate housing in Del Paso Heights. The Agency's control of the property will be used to leverage private participation to construct new market-rate homes.

A conceptual site plan has been developed for the project (see Exhibit F) for use as a tool for discussion with developers.

FINANCIAL DATA

The total amount of funding for this project is \$926,706 in the Del Paso Heights Planned Unit Development fund. It is anticipated that these funds will be used entirely for acquisition with the financing of infrastructure improvement left as developer's responsibility. Though it is hoped that some of the funds will be returned once the homes are constructed and sold, the actual amount of subsidy required will not be known until the developer is selected.

POLICY IMPLICATIONS

The above recommended actions are consistent with the Del Paso Heights Redevelopment Plan Implementation Strategy and the 1989 Del Paso Heights Revitalization Strategy.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency of the
City of Sacramento
November 20, 1990
Page 4

MBE/WBE

The recommended action has no MBE/WBE policy impact.

ENVIRONMENTAL REVIEW

CEQA: The acquisition of property for residential development is exempt for environmental review per Guidelines Section 15061(b)(3). When, and if the Agency prepares development plans for new construction on the site, a complete environmental review will be conducted on such plans.

NEPA: Not applicable, no federal funding involved.

VOTE AND RECOMMENDATION OF THE DEL PASO HEIGHTS REDEVELOPMENT ADVISORY COMMITTEE (RAC)

The RAC reviewed the concept of market-rate housing development in the 1989 Revitalization Strategy and adopted the idea as one of their main goals. At its meeting of September 13, 1990, the Redevelopment Advisory Committee (RAC) voted to proceed with acquisitions in the area bounded by Norwood Avenue, Ford Road, Altos Avenue, and Arcade Creek as recommended in this report. The votes were as follows:

AYES: Burney, Cunningham, Dinkel, Moore, Sullivan, Perez, Nelson, Feiling

NOES: None

ABSENT: Rockwell (excused), Pardieck (excused)

A subcommittee consisting of the RAC's existing Design Review Committee, Ms. Burney and Ms. Moore was appointed to assist in the development of the project.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency of the
City of Sacramento
November 20, 1990
Page 5

RECOMMENDATION OF THE COMMISSION

At their regular meeting of November 7, 1990, the Sacramento Housing and Redevelopment Agency adopted a motion recommending adoption of the attached resolution. The votes were as follows:

AYES: Amundson, Diepenbrock, Moose, Simon, Strong, Wiggins,

Yew,

NOES: None

ABSTAIN: None

NOT PRESENT TO VOTE: Simpson

ABSENT: Pernell, Williams, Wooley

STAFF RECOMMENDATION

Staff recommends that the Executive Director be authorized to proceed with negotiations for acquisition of listed properties in the Del Paso Heights Project Area for single family housing development.

Respectfully submitted,



ROBERT E. SMITH
Executive Director

TRANSMITTAL TO COUNCIL

District 2
Nov. 20, 1990



WALTER J. SLIPE
City Manager

Contact Person: Leslie Fritzsche

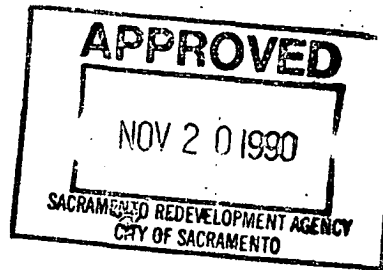
F:\JR\STAFFRPT\PROPERTIES.DPH

RESOLUTION NO. 90-106

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF _____

**SITE ACQUISITION OF PARCELS IN THE
DEL PASO HEIGHTS REDEVELOPMENT AREA**



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

Section 1: The Executive Director is authorized to proceed with negotiation for purchase of property in the area designated for a planned unit development in the Implementation Strategy of the Del Paso Heights Redevelopment Area which property is openly listed for sale.

Section 2: The Executive Director is directed to make reasonable efforts to utilize such property to establish a site for a concentrated, market-rate, single family housing development.

CHAIR

ATTEST:

SECRETARY

p:\share\reso\dphprop.dph

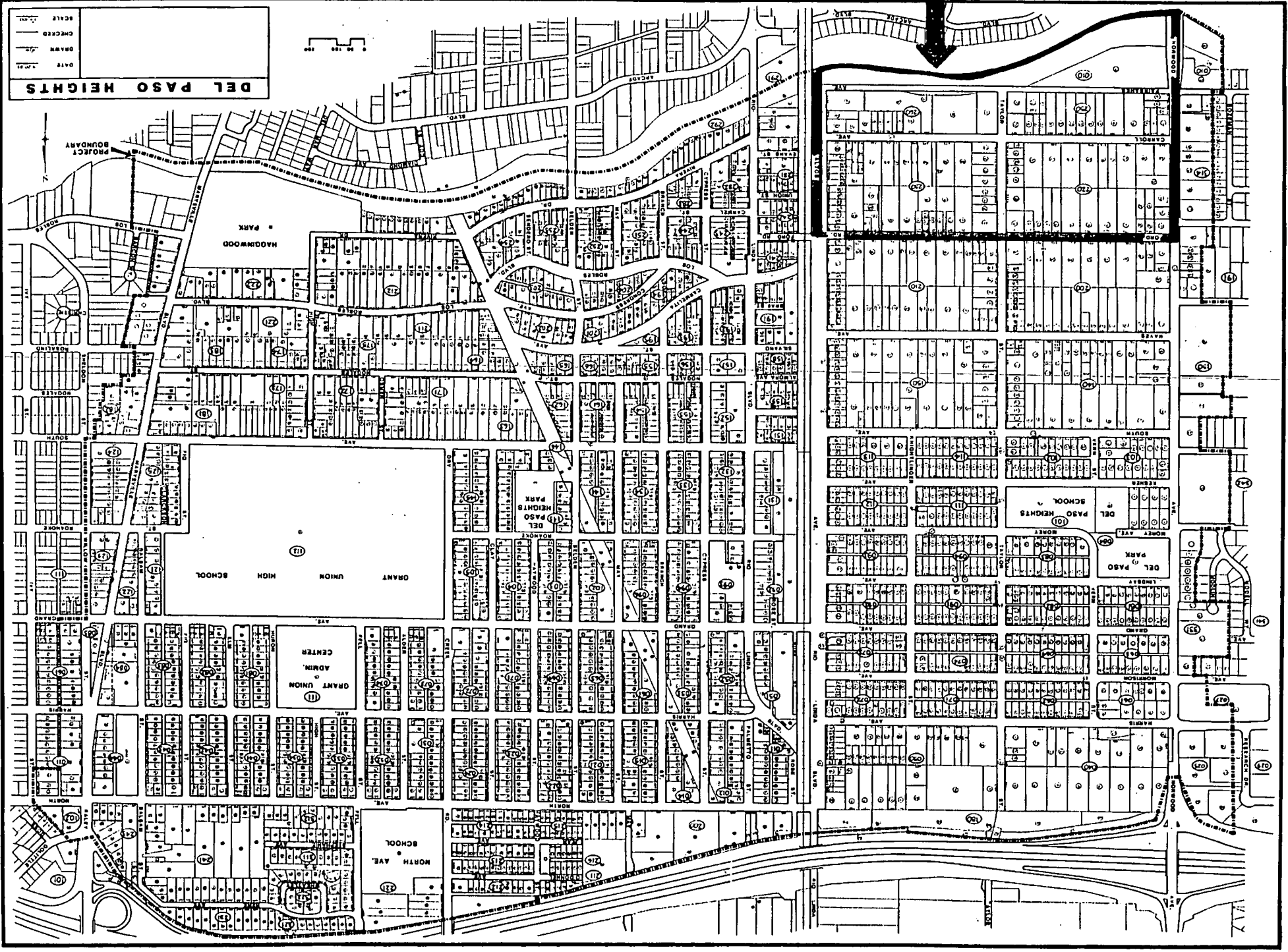
FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

DEL PASO HEIGHTS

DATE: 1/20/50
 DRAWN: J.C.
 CHECKED: J.C.
 SCALE: 1" = 100'



DEL PASO HEIGHTS HOUSING DEVELOPMENT

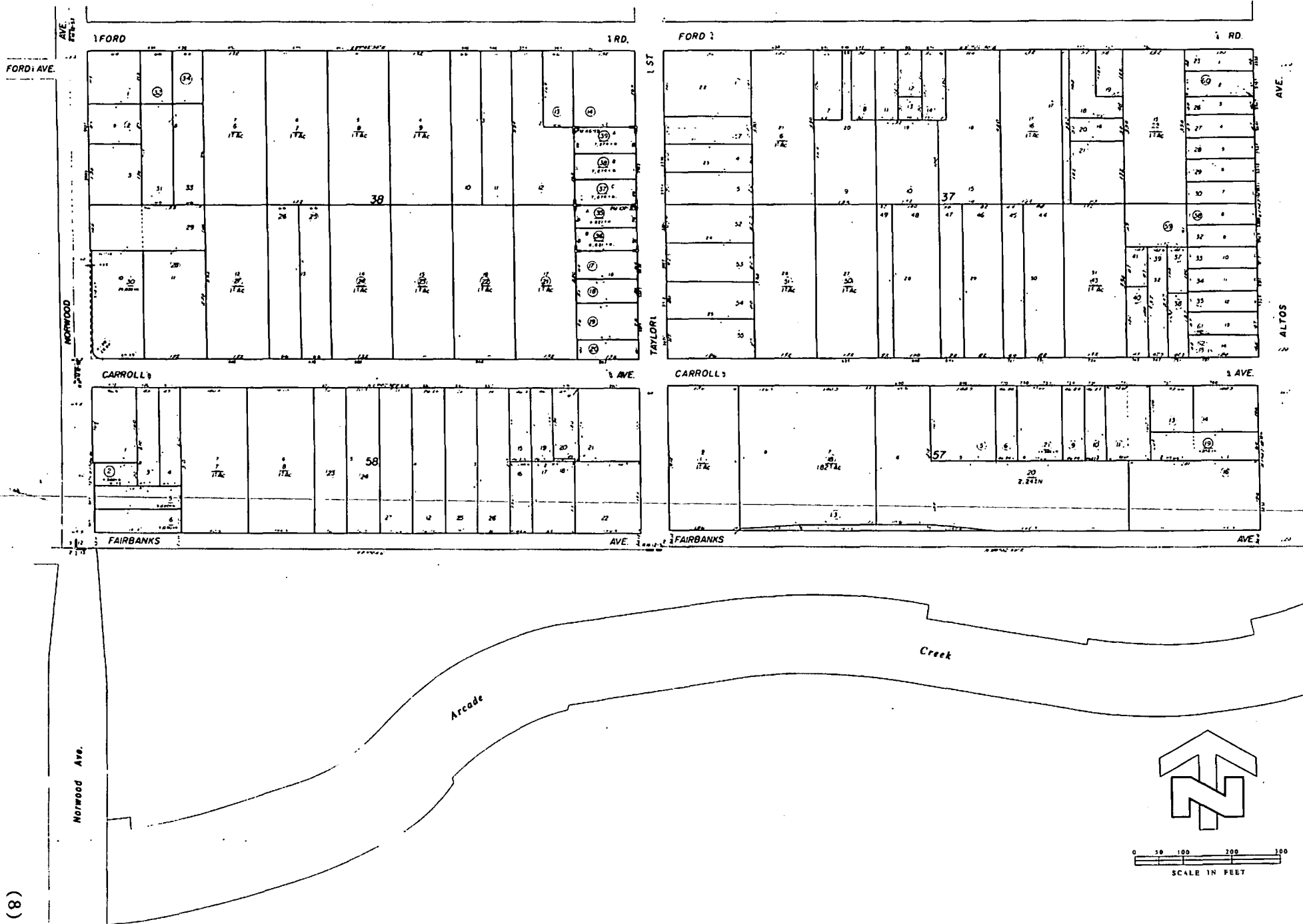
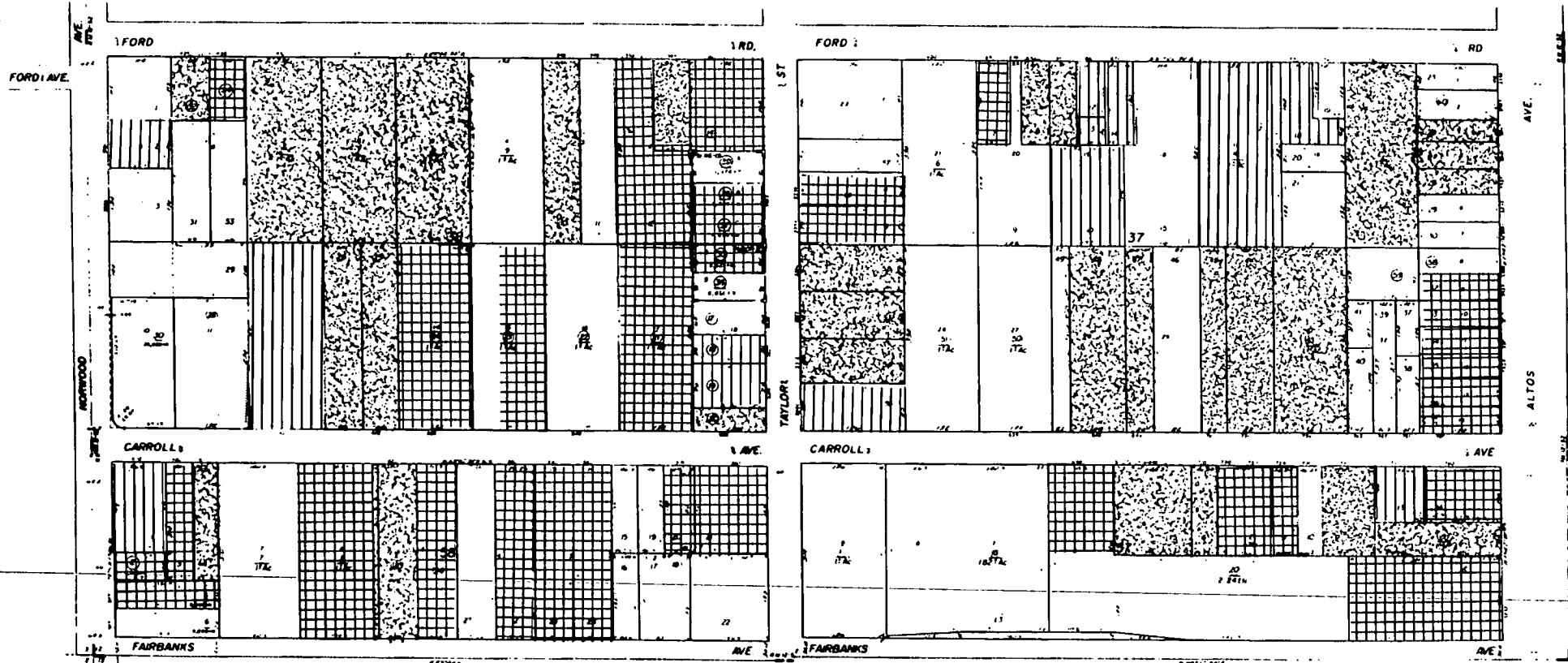


EXHIBIT B

DEL PASO HEIGHTS HOUSING DEVELOPMENT



STRUCTURAL CONDITIONS

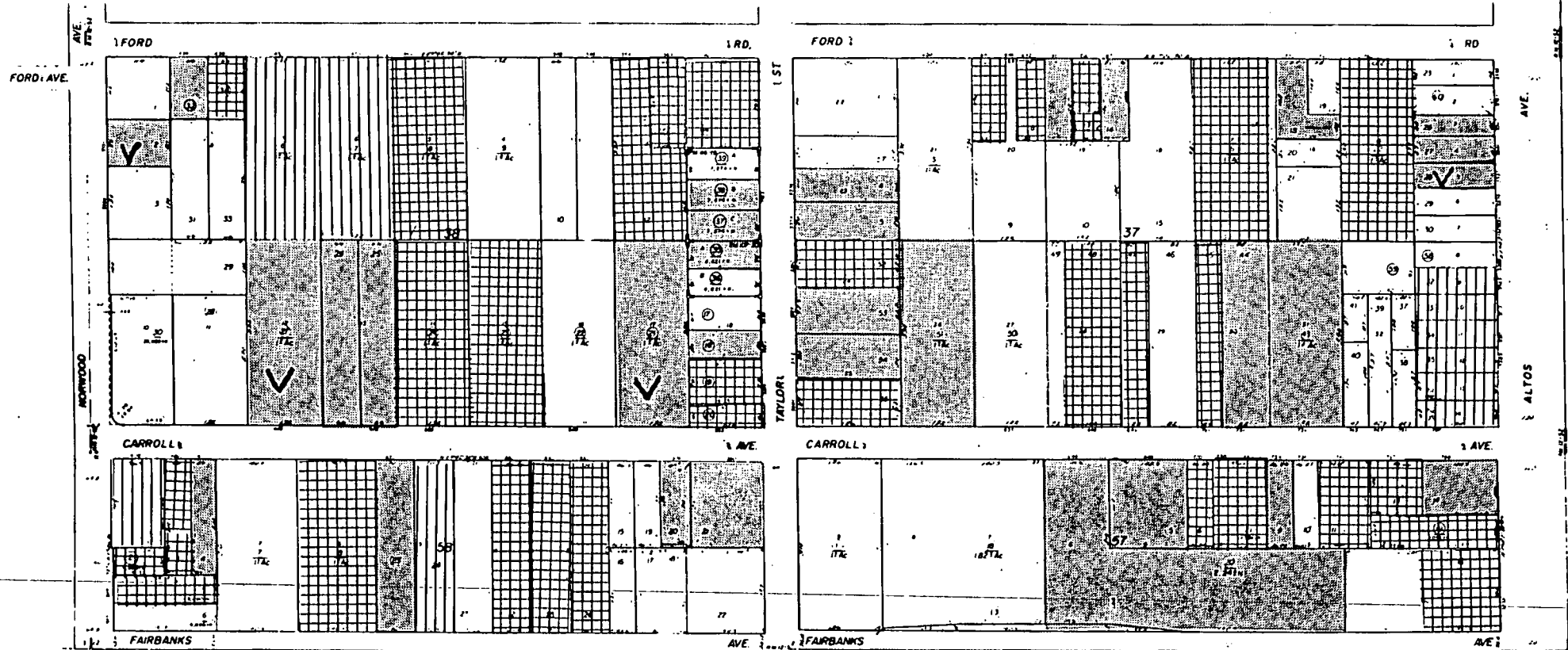
- VACANT
- GOOD
- FAIR
- SUBSTANDARD








SCALE IN FEET
1" = 100'

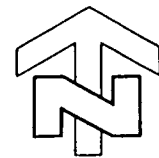
EXHIBIT C

DEL PASO HEIGHTS HOUSING DEVELOPMENT

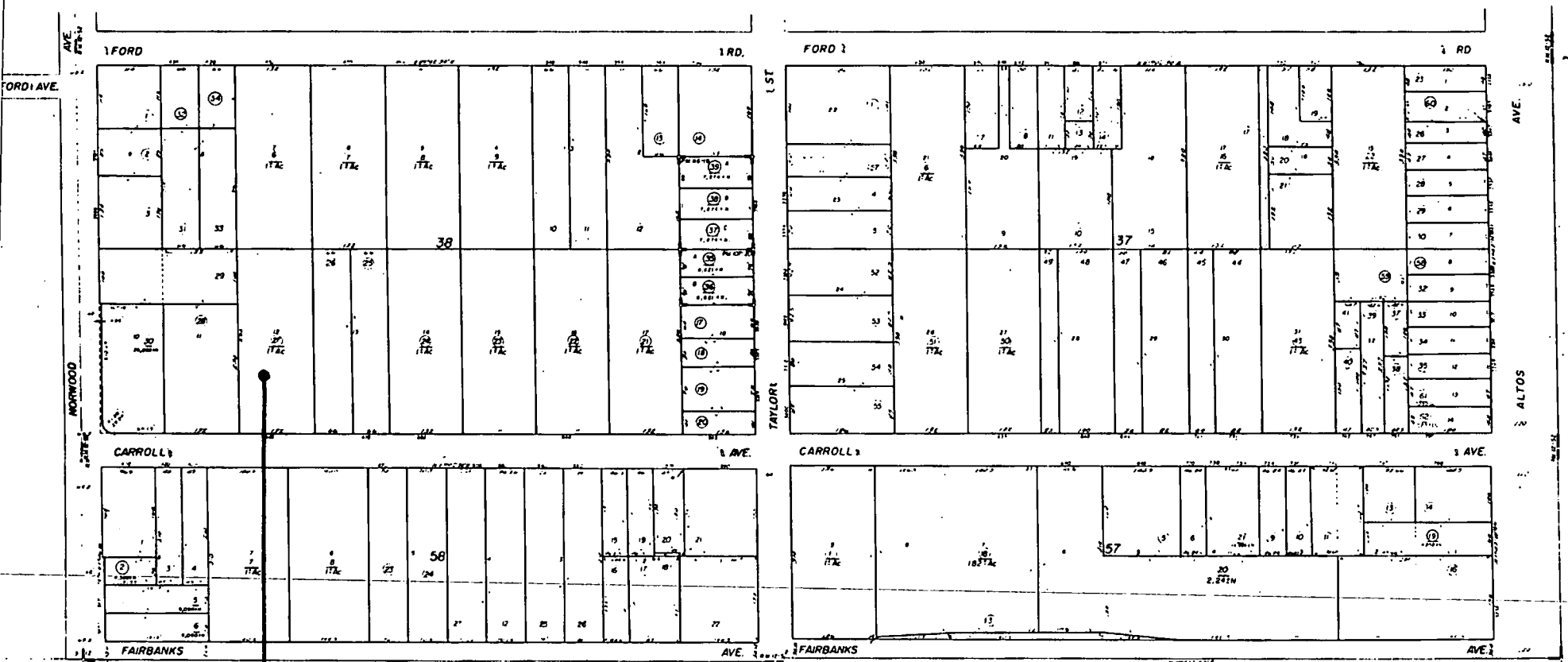


LAND USE

-  OWNER OCCUPIED SINGLE FAMILY
-  RENTAL SINGLE FAMILY
-  RENTAL MULTI FAMILY
-  VACANT LAND
-  VACANT RESIDENTIAL



DEL PASO HEIGHTS HOUSING DEVELOPMENT



PROPERTY LISTED FOR SALE

Arcade

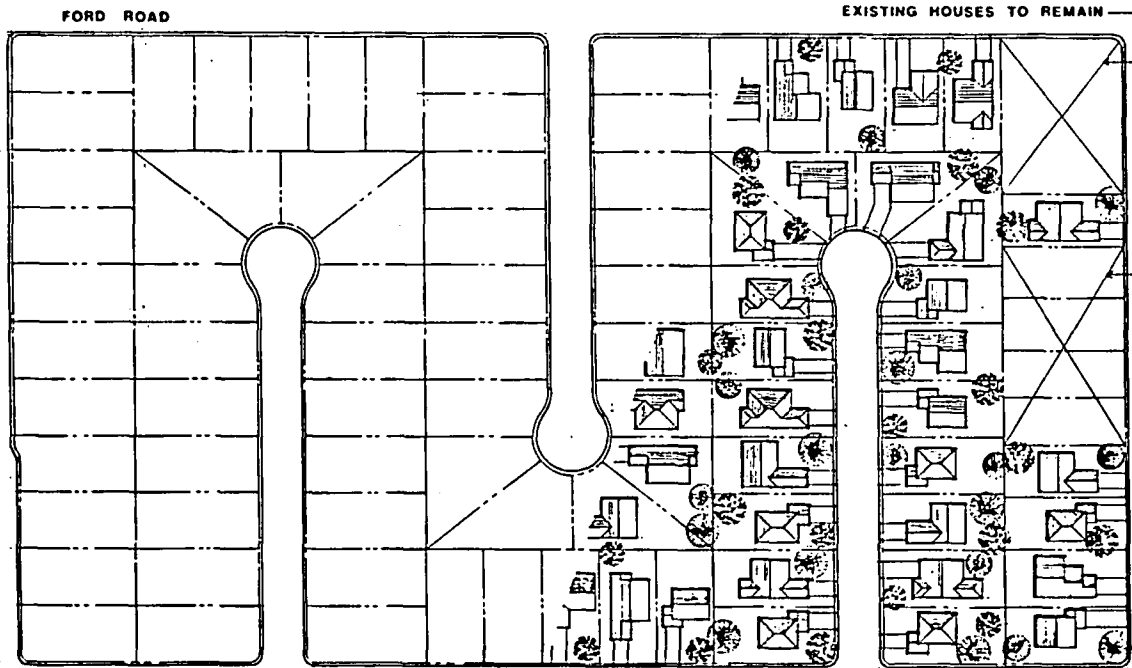
Creek



DEL PASO HEIGHTS HOUSING DEVELOPMENT

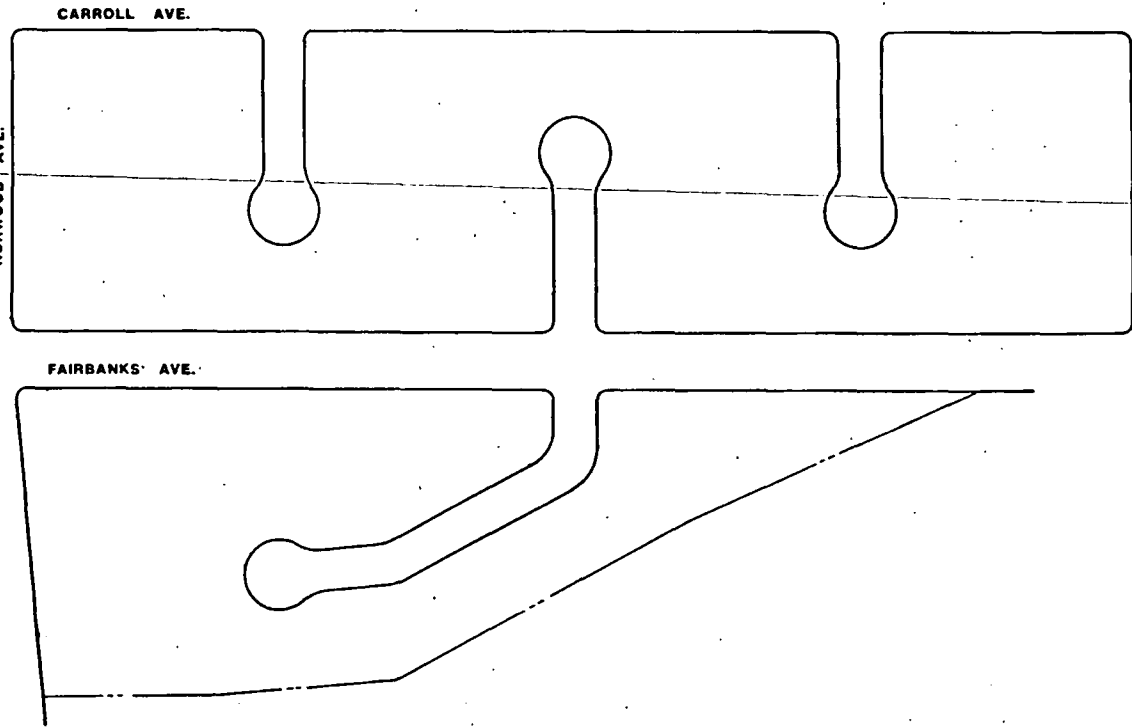
PHASE 1
17.72 AC.
76 LOTS

PHASE 1

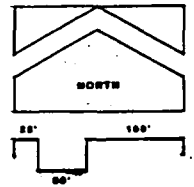


PHASE 2

(12)



ARCHITECTS & PLANNERS
1771 Cornwell Lane Suite 200
Corte Madera, CA 94925
(415) 722-7280



22 SEPTEMBER 1999

EXHIBIT F