

ECONOMIC DEVELOPMENT DEPARTMENT

CITY OF SACRAMENTO

5.1

January 9, 2003

Redevelopment Agency of the City of Sacramento  
Sacramento, California



Honorable Members in Session:

**SUBJECT: PUBLIC HEARINGS ON STATUS OF REDEVELOPMENT PLANS AND  
FIVE-YEAR IMPLEMENTATION PLANS FOR DOWNTOWN AND  
RICHARDS BOULEVARD PROJECT AREAS**

**LOCATION AND COUNCIL DISTRICT:** City Council Districts 1 and 3

**STAFF RECOMMENDATION:**

Staff recommends adoption of the attached resolutions which:

- Signify completion of public hearings on the progress of the Merged Downtown and Richards Boulevard redevelopment and implementation plans, in accordance with California Community Redevelopment Law (CRL),
- Direct staff to incorporate comments received during the hearings into a progress report; and
- File this report and comments with the Agency's administrative offices.

**CONTACT PERSON:** Traci Michel, Economic Development Project Manager, 264-8645  
Paul Blumberg, Economic Development Project Manager, 264-7204  
Wendy Saunders, Downtown Development Manager, 264-8196

**FOR COUNCIL MEETING OF:** January 9, 2003

**SUMMARY:**

The Redevelopment Agency of the City of Sacramento (Agency), as required by Community Redevelopment Law (CRL), is holding a public hearing for the review of redevelopment plans and corresponding implementation plans and evaluating the progress of the Merged Downtown

*Building on Our History - Creating The Place to Be.*

and Richards Boulevard project areas. In February 2000, the Agency adopted five-year implementation plans for each of these areas in response to the CRL. This legislation requires that at least once during the five-year term of each implementation plan that the Agency conduct a public hearing and hear public testimony for the purpose of reviewing both the redevelopment plan goals and the five-year implementation plan to evaluate progress in the redevelopment area. Comments received during the hearing will be appended to the attached status report tables, and will be filed with the Agency's administrative offices.

## **BACKGROUND**

One of the revisions made to the CRL in 1993, was the requirement that redevelopment agencies adopt a five-year implementation plan for each project area on or before December 31, 1994. Moreover, at least once within the five-year term of the implementation plan, each agency must conduct a public hearing and hear all testimony of all interested parties for the purpose of reviewing the redevelopment plans and corresponding implementation plans for each redevelopment area within its jurisdiction, and evaluate the redevelopment effort.

The purpose of an implementation plan is to provide a clear and reasonable statement of proposed activities in the project area and to demonstrate how Agency goals, objectives and program activities meet the purpose of redevelopment (i.e. to eliminate blight and to develop, preserve and rehabilitate affordable housing). Summarized, the general goals and objectives which were adopted for each of the redevelopment areas included in this report are:

- Elimination and prevention of the spread of blight and deterioration;
- Elimination of environmental deficiencies within the public infrastructure system;
- Achievement of high level of architectural, landscape, urban design and land use principles;
- Promotion of new and continuing private sector investment;
- Retention and expansion of as many businesses as possible;
- Creation and development of local job opportunities; and
- Rehabilitation and construction of affordable and low-income housing.

The attached reports for each redevelopment area implementation plan (Attachments A and B) provide an overview of the comprehensive efforts underway in each area. Feedback from the Downtown Sacramento Partnership and Capital Station District both confirmed and supported the programs and projects listed in the attached reports.

## **FINANCIAL CONSIDERATIONS:**

There are no financial considerations being proposed in this project.

## **POLICY CONSIDERATIONS:**

The actions proposed in this staff report are consistent with previously approved policy and no new policies are being recommended.

This reports is consistent with the following goals form the City's adopted 2001-2004 Strategic Plan:

- Enhance and preserve the neighborhoods.
- Promote and support economic vitality.
- Establish and strengthen community and regional partnerships to enhance the quality of life.

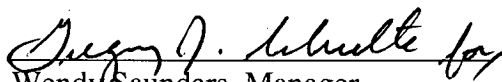
**ENVIRONMENTAL REVIEW:**

The proposed administrative actions do not constitute projects under CEQA per Guidelines Section 15378(b)(3). NEPA does not apply.


**ESBD CONSIDERATIONS:**

There are no ESBD considerations contemplated with the requested action.

Respectfully submitted:

  
Wendy Saunders, Manager  
Downtown Development Group

**RECOMMENDATION APPROVED:**

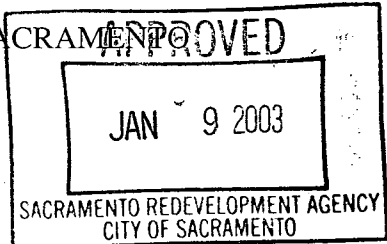
  
ROBERT P. THOMAS  
City Manager

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RESOLUTION NO. <sup>RA</sup> 2003-003

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO



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

**MERGED DOWNTOWN SACRAMENTO REDEVELOPMENT PROJECT AREA:  
RECEIPT OF PUBLIC COMMENT ON STATUS OF REDEVELOPMENT PLAN AND FIVE-  
YEAR IMPLEMENTATION PLAN  
(HEALTH & SAFETY CODE SECTION 33490)**

NOW, THEREFORE, BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO:

Section 1. The public hearing for the Merged Downtown Sacramento Redevelopment Project Area ("Project Area") implementation plan has been carried out in accordance with Section 33490(c) and (d) of the California Community Redevelopment Law (CRL) (Health and Safety Code Section 33000et. Seq.).

Section 2. Staff is directed to incorporate comments resulting from the public hearing into the status report reviewed during the hearing as part of ongoing maintenance of public records.

Section 3. A copy of the status report for the Project Area is filed in the Agency's offices with its corresponding redevelopment plan, and shall remain in effect until replaced or amended by the Agency pursuant to Article 16.5 of the CRL

On a motion by Member \_\_\_\_\_, seconded by Member \_\_\_\_\_, the foregoing Resolution was passed and adopted by the Redevelopment Agency of the City of Sacramento, State of California, this \_\_\_\_\_ day of \_\_\_\_\_, 2002, by the following vote, to wit:

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
CHAIR

ATTEST:

\_\_\_\_\_  
CLERK

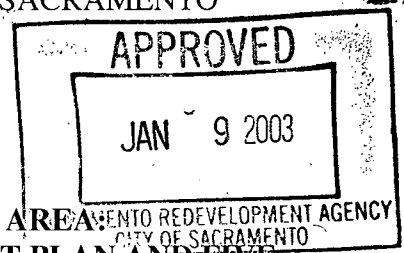
**FOR CITY CLERK USE ONLY**

RESOLUTION NO.: \_\_\_\_\_  
DATE ADOPTED: \_\_\_\_\_

*RA*  
**RESOLUTION NO. 2003-00 <sup>th</sup>**

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

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



**RICHARDS BOULEVARD REDEVELOPMENT PROJECT AREA  
RECEIPT OF PUBLIC COMMENT ON STATUS OF REDEVELOPMENT PLAN AND FIVE-  
YEAR IMPLEMENTATION PLAN  
(HEALTH & SAFETY CODE SECTION 33490)**

NOW, THEREFORE, BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO:

Section 1. The public hearing for the Richards Boulevard Redevelopment Project Area ("Project Area") implementation plan has been carried out in accordance with Section 33490(c) and (d) of the California Community Redevelopment Law (CRL) (Health and Safety Code Section 33000et. Seq.).

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CHAIR

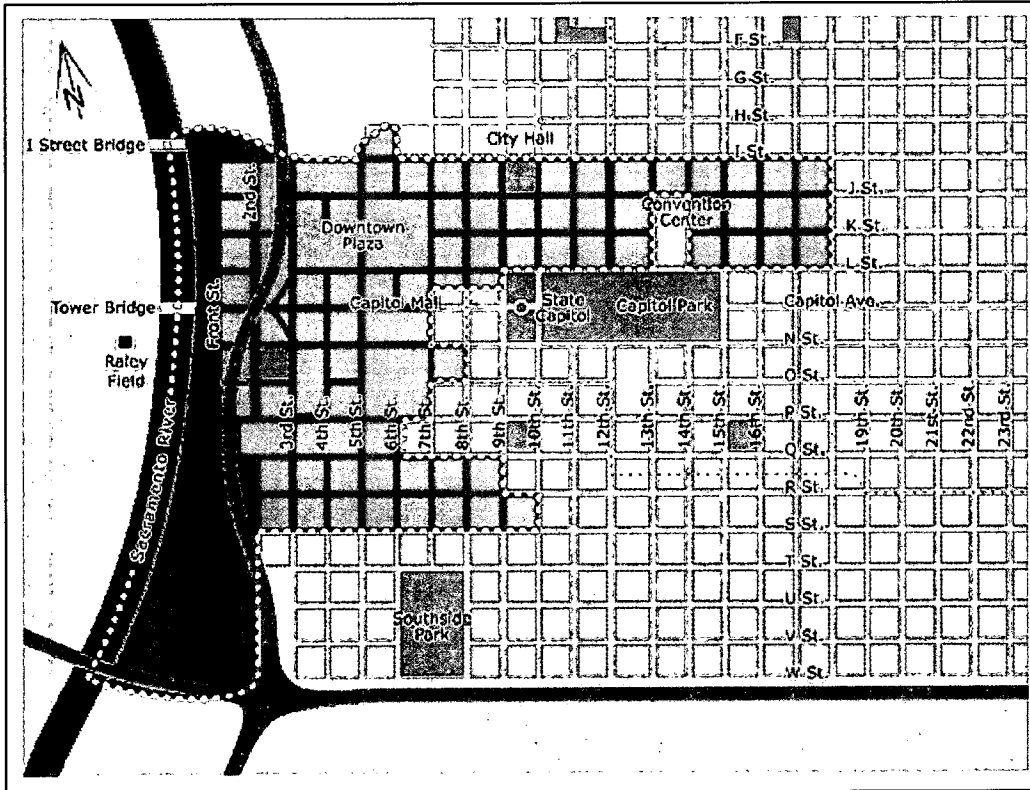
ATTEST:

\_\_\_\_\_  
CLERK

**FOR CITY CLERK USE ONLY**

RESOLUTION NO.: \_\_\_\_\_  
DATE ADOPTED: \_\_\_\_\_

# MERGED DOWNTOWN SACRAMENTO REDEVELOPMENT PROJECT AREA



2005 Implementation Plan Update  
January 2003

## Introduction

In 1993, California Redevelopment Law was revised, requiring all redevelopment agencies to adopt a five-year implementation plan for each redevelopment project area on or before December 31, 1994. Additionally, at least once within the five-year term of the implementation plan, each agency must conduct a public hearing and hear all testimony of all interested parties for the purpose of reviewing the redevelopment plans and corresponding implementation plans for each redevelopment area within its jurisdiction, and evaluate the redevelopment effort.

The most recent five-year implementation plan for the Merged Downtown Sacramento Redevelopment Project Area was approved in February 2000. In that Implementation Plan, the following programs were identified to satisfy the Implementation Plan goals and objectives and in turn, the goals and objectives of the Amended Redevelopment Plan:

- Developers Assistance;
- Commercial Revitalization;
- Capital Improvements; and
- 20% Set-Aside.

The following tables present a status report on the programs, projects and expenditures that were approved as part of that Plan. Any new projects or programs not included in the 2000 Implementation Plan are noted with an “ \* ” in the table.

### 1. Developer Assistance Program

This program is designed to assist in the engineering of new development in the Project Area. Specific Agency activities under this program include land acquisition and relocation; assistance with on- and off-site improvements; toxic remediation; and other types of required assistance.

Project	Description	Schedule/Status
9 <sup>th</sup> and J (SW)	Construction of a 7-story, mixed-use building to include 200 mixed income residential units, parking and ground floor retail	2003-2004 Total Project Cost: \$42.6 million Agency Cost: \$8.2 million plus land
Capital Mall and 7 <sup>th</sup> Lot A	Lot A Partners plan to develop the surface parking between Capitol Mall, L, 6 <sup>th</sup> and 7 <sup>th</sup> streets into a two-phased mixed-use project. The first phase will include approximately 330,000 sf office and 30,000 sf retail. The second phase may include a hotel in addition to more retail, office and parking.	2003-2005 Total Project Cost: Phase I - \$80 million Agency Cost: n/a – City will receive \$11 million from Lot A Partners for a phased land acquisition
J, K, L, Streets (7 <sup>th</sup> -12 <sup>th</sup> )	Support consolidation of property and site preparation for future development projects	2003-2005 Agency acquired the former Woolworth's and Rite Aid buildings for catalyst projects in 2000 and 2001. Agency Cost: \$3.65 million for both properties
1029 K Street Ransahoff Building*	Renovation of ground floor and seismic upgrades to accommodate a ground floor restaurant and brewery to be operated by Pyramid Brewery. Restaurant will include outdoor dining on K Street.	Under construction – complete Spring 2003 Total Project Cost: \$2.23 million Agency Cost: \$650,000 (½ loan and ½ grant)
10 <sup>th</sup> and K (SE)	Development of an entertainment complex to accommodate a Cineplex project and ground floor retail and restaurants	2003-2004 Developer selected for project. Project alternatives for the site are now being considered.
Downtown Plaza Renovation*	Westfield, as new owners of the Plaza, are looking at ways to reposition and update the Plaza, including a possible theater and food court expansion, interior and exterior façade improvements and transitioning office space into new retail.	2003-2005 Total Project Cost: \$45 million Agency Cost: No Agency participation at this time

<b>Project</b>	<b>Description</b>	<b>Schedule/Status</b>
16 <sup>th</sup> and J (SW) Elliot Building*	Mixed-use rehab for the historic Elliot Building located at 16 <sup>th</sup> and J streets. The project will include 18 units of loft-style housing, 10,200 sf of ground floor retail, 11,400 sf of office and adjacent parking.	Under construction - complete mid-2003 Total Project Cost: \$12 million Agency Cost: \$3 million
16 <sup>th</sup> and J (NE) Lucca's Restaurant*	Rehab of the historic building located at 1615 J Street for an upscale Mediterranean/California cuisine restaurant with outdoor dining and full-service bar.	Under construction – complete: March 2003 Total Project Cost: \$2.5 million Agency Cost: \$250,000
Community Theater Renovation	Design for the renovation of City's 2,500-seat theater to include expanded lobby, modernized infrastructure, back of house and loading area expansions.	Needs analysis and conceptual designs complete. Final design development, including estimated budgetary costs to begin in 2003.
15 <sup>th</sup> and L Meridian Plaza*	Construction of a 12-story building developed by the Allen Group, consisting of 230,000-square-foot of office, 480 parking spaces and improved streetscape to strengthen the K Street connection from 14 <sup>th</sup> to 13 <sup>th</sup> streets. Future phases of the project will include a second office tower and a hotel, located at 15 <sup>th</sup> and L streets.	Under construction – complete 2003 Total Project Cost, Phase I: \$60 million Agency Cost: n/a – no Agency participation
Performing Arts Center Study	Coordinating with Sacramento State University to help facilitate initial Master Plan Development for 1,500 Seat Main Hall, 299 Seat Concert Hall, 99 Seat Black Box Theater	SCUS is currently evaluating their programming needs. Staff will continue to coordinate with the University for location of the Center.
Embassy Suites Waterfront Hotel	Construction of a new 242-room, all-suites hotel along the waterfront. Amenities include valet parking, complimentary cooked-to-order breakfast, and pool and exercise facilities.	Completed June 2002 Total Project Cost: \$45 million Agency Cost: \$4.4 million
Waterfront Master Plan Update	Cooperative process between the Cities of Sacramento and West Sacramento for the update of the 1994 Waterfront Master Plan	Process underway – to be completed by Spring 2003
Waterfront Restaurant Joe's Crab Shack	Construction of a new, 13,000 sf restaurant on the waterfront, Joe's Crab Shack, to be operated by Landry's Restaurants, Inc	Under construction – open 2003 Total Project Cost: \$5 million Agency Cost: \$1.75 million
Lot X Development	Pursuit of development opportunities on City-owned Lot X in conjunction with Caltrans property as part of Crocker Art Museum Master Plan process.	2003-2005
Ebner Hotel	The stabilization process of one of the last original historic structures in Old Sacramento. An Environmental Impact Report is underway to evaluate options for moving forward.	2002-2003 Total Project/Agency Cost: TBD
Old Sacramento Development Sites	Issuance of a Request for Proposals to market 3 remaining development sites in Old Sacramento, following completion of Old Sacramento's Strategic Plan.	RFP issuance in Spring 2003

## 2. Commercial Revitalization Program

This ongoing program is a result of the Downtown Summit where a decision was made to consolidate a number of nonprofit organizations under one umbrella organization to carry out management, operations, promotions, events and maintenance of the Central Business District. The Downtown Sacramento Partnership (DSP) was formed in order to serve this function. The Agency provides funding to, and works in conjunction with, the DSP in order to achieve a "safe, clean, and friendly" downtown environment.

Project	Description	Schedule/Status
Commercial Façade Rebate Program*	<p>Pilot program with larger rebates than previous façade grant programs as well as targeted properties for the program. Rebate amount is 50% of eligible improvement costs and ranges are as follows:</p> <ul style="list-style-type: none"> <li>▪ <b>Owners</b> - \$8,000 up to \$50,000 (\$75,000 if building is historic)</li> <li>▪ <b>Tenants</b> – up to \$15,000 when combined with owner rebate</li> </ul>	<p>Rebate Projects Underway (as of 11/1/02):</p> <ul style="list-style-type: none"> <li>▪ Chops, 1117 K Street - \$90,000</li> <li>▪ Subway/Bento House, 911-915 K Street - \$60,000</li> <li>▪ Golden Rice Bowl, 917 K Street - \$34,000</li> </ul> <p><b>Total Agency dollars spent: \$185,000</b>  <b>Private dollars leveraged: \$185,000 +</b></p>
PBID Renewal	Support the renewal of the PBID	<p>2000/2001</p> <p>91% voter approval for renewal</p>

## 3. Capital Improvement Program

This program includes funding needed infrastructure improvements. Capital improvements will concentrate primarily on providing public parking in conjunction with development projects where feasible and working to implement streetscape and signage linkages between projects. Much of the Agency's Capital Improvement Program will be centered on the K Street District and surrounding areas that serve as major transportation corridors for Downtown. The program for revitalization of the K Street District has resulted from a number of sources, including the Downtown Streetscape Study, the K Street Charette, the renovation of Downtown Plaza, the Convention Center Expansion, and the completion of the Esquire Plaza Office Tower and IMAX Theater. The installation of capital improvements within the K Street District will assist in increased retail activity/vitality, improvement of the environment in order to attract development to key opportunity sites, and will also provide a venue for Downtown Sacramento Partnership activities.

Project	Description	Schedule/Status
Streetscape and Signage Plan	Design and implementation of a pilot streetscape and signage program, including: lighting, street furniture, paving, and plantings.	<p>2003 – 2004</p> <p>Agency Cost: TBD</p>
Cesar E. Chavez Plaza Renovation	Redesign and renovation of the City's former Plaza Park to accommodate programmed activities such as Farmer's Market, Concerts in the Park, and daily use by tourists and citizens alike.	<p>Completed Spring 2000</p> <p>Total Project/Agency Cost: \$1million</p>
Wayfinding System *	A wayfinding signage system to help visitors easily locate major destinations in the Central City area of Sacramento is under development. The project will direct vehicle drivers and pedestrians to cultural facilities, government buildings, parking garages, and major portions of the local transportation system, amongst other destinations.	<p>Signs installed Spring 2003</p> <p>Total Project/Agency Cost: \$600,000</p>
Dash Trolley	Implementation of a trolley system to circulate within the Central Business District during mid-day and for special events throughout the year.	<p>Trolley offered daily, 11 am - 3 pm.</p> <p>Total Project Cost: \$180,000/year</p> <p>Agency Cost: \$50,000/year</p>
Toxic Remediation	Remediation of Agency-owned parcels located on Front Street in the Docks area	Completed summer 2002

Project	Description	Schedule/Status
Bike Trail Construction	Coordination with City Public Works for the construction of bike trails along the Sacramento River to extend current bike trail from Docks area to Miller Park/Marina.	On-going
Interpretive Signage Program	Program designed to provide historical, cultural and environmental information about the river and its immediate environs. The information will be presented in a series of interpretive signs that are located at key points along the Sacramento and American River bike trail.	Scheduled May 2003 Installation Total Project/Agency Cost: \$100,000
Tower Bridge Widening Project	Coordination with City Public Works on widening the sidewalks along the Tower Bridge to enhance pedestrian/bicyclist access between Sacramento and West Sacramento; and, to accommodate the increased demand for pedestrians and bicyclists with the proposed and completed development of projects on both sides of the Sacramento River.	2002 – 2003 Total Project Cost: \$4.5 million Agency Cost: \$85,000
I-5 Decking Project	Funds are being pursued to complete conceptual engineering and environmental studies for various decking alternatives that would help to better connect Downtown Sacramento to its waterfront. The Federal government recently allocated \$3.5 million to advance the project.	Consultant work on feasibility study to begin January 2003. Public participation component to begin in Spring 2003.
R Street Infrastructure Assessment Plan	Assessment of infrastructure expansion needed to support future development in the R Street Corridor area. Partners include City Planning, Agency, CADA, and SHRA.	Study underway to be completed Spring 2003 Total Project Cost: \$140,000 Agency Cost: \$42,000

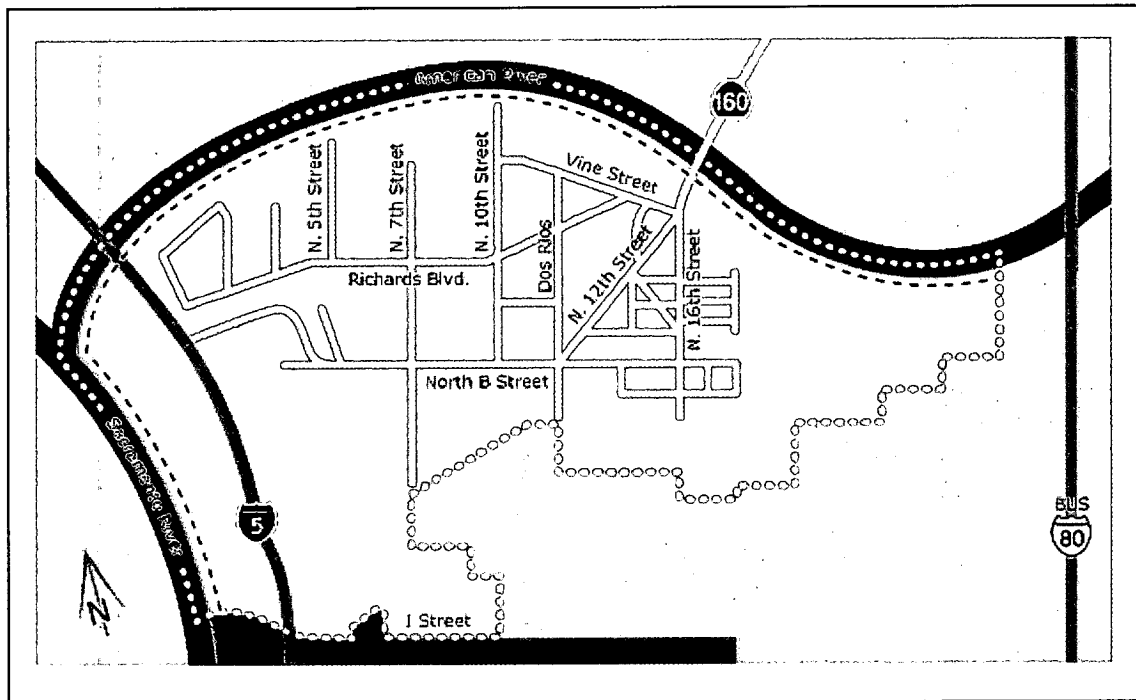
#### 4. 20% Housing Set-Aside Program

This program is intended for the expenditure of funds and other activities relating to the production of housing affordable to persons and families of low- and moderate-income. The required housing set-aside revenues are based on 20 percent of the total tax increment revenue for the Merged Project Area, less property tax administration charges collected by Sacramento County for the calculation, collection and allocation of property taxes. (It should be noted that for the 2000-2005 Implementation Plan period, the Agency, is allocating and spending more than the required 20 percent of tax increment on low- and moderate-income housing). In addition to specific housing projects, there are on-going, existing obligations of the Agency, as noted in the Implementation Plan, that are financed with housing set-aside monies, including bond debt service, housing subsidies for tenant-based public housing and transitional housing programs.

Project	Description	Schedule/Status
Johnson Development 4 <sup>th</sup> and T Streets	Construction of 6 units, 3 single-family homes and 3 granny flats.	Completed 2000 Total Project Cost: \$580,900 Agency Cost: \$104,720
Keystone Development 6 <sup>th</sup> and S Streets	Construction of 5 ownership homes	Completed 2000 Total Project Cost: \$795,704 Agency Cost: \$304,000
Fremont Building 16 <sup>th</sup> and O Streets	Construction of a mixed-use, mixed income project containing 69 apartments and ground floor commercial space.	Completed 2001 Total Project Cost: \$9.8 million Agency Cost: \$1.24 million

Project	Description	Schedule/Status
Capitol Park Townhomes	Done in conjunction with CADA, the project involves the construction of 64 single-family homes and includes an affordable housing component.	Under construction – complete in 2003 Total Project Cost: \$14 million Agency Cost: \$2 million
10 <sup>th</sup> and T Streets	Construction of fifteen condominiums, one of the first condominium projects in recent years.	Under construction – complete in 2003 Total Project Cost: \$2.94 million Agency Cost: \$652,593
Ping Yuen	As part of a revitalization effort of the historic Chinatown block, a vacant structure will be rehabilitated for 82 affordable senior apartments and community space.	Construction 2003 – complete in 2004 Total Project Cost: \$11.8 million Agency Cost: \$3 million
9 <sup>th</sup> and J	Construction of a 7-story, mixed-use building to include 200 mixed income residential units, parking and ground floor retail (see also under Developers Assistance Program).	2003-2004 Total Project Cost: \$42.6 million Agency Cost: \$8.2 million plus land (\$4.4 million from 20% Set-Aside)
Capitol Terrace 21st and L streets	Multi-family housing site available for development – site can accommodate 65 residential units with ground floor retail.	RFP Issued in early 2003
18th and L streets	New construction of 176-unit, 4-story rental project including studio, one and two bedroom units and penthouse units on the north site of L Street. Of the 176 units, 35 units will be made available for very low-income households and 9 units for moderate-income households. Project includes subterranean parking and approximately 9,600 square feet of ground floor retail space on L Street.	Construction to begin in 2003 Total Project Cost: \$31.8 million Agency Cost: \$4.75 million (pending Council approval)
Fremont Mews	Construction of 118 rental units with 24 of the units available to very low-income households. Project is being done in conjunction with CADA who is providing the land.	Construction to begin in 2003 Total Project Cost: \$20,686,000 Agency Cost: \$2 million
CADA Warehouse 11th and R Streets	This ownership project includes 102 live/work and loft units through new construction and adaptive reuse of an existing historic warehouse. Of the 102 units, 45 of units will be designed as live/work units. Approximately 3,200 square feet of restaurant space was also proposed at the corner of 11th and R streets.	Construction to begin in 2003 Total Project Cost: \$32,470,000 Agency Cost: \$5 million
CalPers	CalPers has proposed the development of 166 housing units and mixed-use retail as part of the expansion of CalPers headquarters, located on the blocks bound by 3 <sup>rd</sup> through 5 <sup>th</sup> streets and Q and R streets.	2004-2005
Marshall Hotel*	Pursuit of rehabilitation of historic Marshall Hotel building located at the northwest corner of 7 <sup>th</sup> and L Streets, adjacent to Downtown Plaza.	2003-2005

## RICHARDS BOULEVARD REDEVELOPMENT PROJECT AREA



2005 Implementation Plan Update  
January 2003