

COUNCIL COMMITTEE MINUTES

Concurrent Special Committee Meetings of the Sacramento City Council, Redevelopment Agency of the City of Sacramento, Housing Authority of the City of Sacramento and the Parking Authority of the City of Sacramento.

COMMITTEE NAME: Transportation and
Community Development

MEETING DATE: April 9, 1992

MEETING TIME: 2:00 pm

LOCATION: 915 I STREET, 2ND FLOOR, COUNCIL CHAMBER

VOTING RECORD LEGEND

MOV: MOVED	ABST: ABSTAIN
SEC: SECOND	ABS: ABSENT
M — MAYOR RUDIN	D5 — SERNA
D1 — FARGO	D6 — MUELLER
D2 — FERRIS	D7 — KASTANIS
D3 — PANE	D8 — ROBIE
D4 — CHINN	

I HEREBY CALL Special Meetings of the Sacramento City Council, Redevelopment Agency of the City of Sacramento, Housing Authority of the City of Sacramento, and Parking Authority of the City of Sacramento to be conducted concurrently with the Council committee meetings listed below, which are incorporated herein by reference. The Special Meetings are called to permit Members who are not on the listed committees to attend the meetings and participate in the discussions. In the event five (5) or more members of the City Council are present at a Committee meeting, only those items listed on the agenda can be acted on or discussed.

The meeting was called to order at 2:10 p.m. by Chair Joe Serna. No roll was called.

MEMBERS PRESENT: Serna (Chair), Pane, Fargo

MEMBERS ABSENT: Kastanis

ALSO PRESENT: Mueller

1. Jibboom Street Site - Agreement with State of California

RECOMMENDATION OF STAFF: ADOPT ATTACHED RESOLUTION

COMMITTEE ACTION: FORWARD TO COUNCIL

REPORT(S) BACK: QUESTION RE: HORSE DRAWN RAILS

VOTING RECORD: MOV D1, SECOND D3
UNANIMOUS

MINUTES:

Robert P. Thomas, Deputy City Manager, presented an overview of the agenda and stated how the presentations would be given. He requested that a date be set before the end of the current meeting for the next T&CD meeting.

Robert Thomas requested that Item #7 be taken out of order because John Hanson, an architect with the State Department of Water Resources, was available to present the report.

The State has purchased property on Jibboom Street near I-5 and the Sacramento River for the Department of Water Resources (DWR) Project Operations Center, other offices and a Visitor's Center. The City owns adjacent property which would be well-suited for parking. The State wishes to enter into a long-term agreement with the City to obtain use of this property. The City's needs in this agreement include asking the State to: Integrate public use of the Visitor's Center with existing museums, Old Sacramento, and the bike trail (need access and easement); landscape the parcels adjacent to the site; and permit access (easements) to maintain on-site water supply facilities and to maintain, expand and/or replace the water intake system that runs from the river through the site to the Water Treatment Plant. No exchange of revenue is expected; just a cooperative agreement. Staff recommended the Committee approve the resolution authorizing the City Manager's office to negotiate a long-term agreement for use of the City's property and forward the matter to the City Council for final adoption.

John Hanson presented site plan drawings. The architectural design (by Dreyfuss and Blackford, a Sacramento firm) of the new center will blend with the refurbished PG&E building. The estimated \$27 million cost is already budgeted, and completion is set for the end of 1992. The high-tech 24 hr Operations Center will have multi-tenants (National Weather Service, Federal USBR Central Valley Project). Over 300,000 visitors are expected per year. A model of the center is currently at 13th and R, and will be on view in Old Sacramento on May 2 and 3, 1992.

Committee member Serna remarked that the project would have a good impact on Old Sacramento and area businesses.

Committee member Pane inquired about the parking facilities. Mr. Hanson advised that the secured parking facility would have over 128 indoor and 320 outdoor spaces.

Committee member Fargo inquired if the State and City Staff have shared this information with the Richards Blvd. project personnel, and if the State had a Transportation Management Plan on file. Mr. Hanson answered in the affirmative. She further inquired as to the pier. Jim Sequeira, Assistant Director, Department of Utilities, replied that the pier is part of the water intake valve. She concluded by stating that this is very positive.

Committee member Pane inquired if the horse drawn rails will connect this project with Old Sacramento. Robert Thomas indicated he did not know, and he would follow up on the matter.

2. Update on Possible Joint Venture with State of California

RECOMMENDATION OF STAFF: ADOPT ATTACHED RESOLUTION

COMMITTEE ACTION: FORWARD TO COUNCIL

REPORT(S) BACK:

VOTING RECORD: MOV D3, SECOND D1
UNANIMOUS

MINUTES:

Bill Farley, Sr. Management Analyst, presented this item and distributed a hand-out entitled "City-State Office Building Partnership". Staff requested authorization from Council to pursue discussions with the State on a possible office building partnership (development of an office building on Lot B adjacent to City Hall), and authorization to make formal presentations to staff at the State General Services Department and members of Capitol Area Planning Committee and the Sacramento Legislative delegation. Objective of these discussions: To produce a refined project concept proposal the Council can formally submit to the State to show its interest. The Committee heard in January of property tax impact (minimal to none because most likely public building), financing and costs. Bill Farley led the Committee through the handout, discussing the contents, explaining that, for purposes of initial discussions, a lot of details have been assumed.

Committee member Serna inquired if the \$3.7 million rent payment on Page 4 of the handout was just the City's share. Mr. Farley answered in the affirmative and explained that the State would pay \$300,000 (offset for ground lease payments) and the City would save \$2.5 million for rent in private buildings. The City would be directing resources to Joint Powers Authority, investing in own building instead of rent. Although \$3.7 million is listed, the City would only be out \$900,000. On Page 5, a graph shows the City's debt payments over a 30 year period.

Committee member Pane inquired if the garage would be utilized. Mr. Farley said that he would report back on the cost per space.

Mr. Farley assured the Committee that the assumptions in the handout were open for discussion and modification because, at this stage, nothing is definite. Staff is only looking for the Committee to indicate the City's interest. The City wants to get a good look at options/variables and seeks direction to send back.

No questions for Pages 6 and 7.

Mr. Farley described to the Committee that the assumptions on Page 8 had been modified - made larger and Page 9 shows the new position cash flow.

Committee member Serna asked if that allowed for no growth.

Committee member Pane inquired about another alternative - why joint venture with the state rather than provide the building. Mr. Farley indicated that in the staff report, the consultant made several assumptions. He also discussed the possibility of a ground lease on Page 16.

Committee member Fargo had two questions: (1) Would it be a 'plum' for a specific City office to be in the building because their rent would not increase? and, (2) was the new parking garage was just built to tear down old one? Would parking be available?

Mr. Farley answered: (1) there will be global savings to City out of a central pool, not specific budgets. (2) 1000 parking spaces are listed.

Committee member Serna indicated that Committee member Fargo's assumption about the parking garage was not a bad assumption. He suggests that staff plug in that assumption: 1035 spaces for new building; garage on new site, reduce parking in new building.

Committee member Pane inquired if there was a plan in place regarding occupancy. If so, he would like a copy of it. [Mr. Farley will send him one.]

Committee member Serna also instructed staff to 'fast-track' the project.

Committee member Pane voiced his concern. He does not want to 'fast-track' if there is no need to.

Committee member Serna agreed that he did not want to delay the Courthouse matter; but the City should send a clear message since that is the reading from State.

Robert Thomas will indicate to staff to get serious; to get moving fast.

3. Federal Courts Update

RECOMMENDATION OF STAFF: DIRECT STAFF TO PREPARE A PROPOSAL FOR CITY OR AGENCY OWNED LAND TO SECURE THE FEDERAL COURTHOUSE

COMMITTEE ACTION: FORWARD TO CITY COUNCIL

REPORT(S) BACK:

VOTING RECORD: CONSENSUS

MINUTES:

Tim Johnson, Sr. Planner, presented Item #4 which was taken out of order. At the last meeting, the Clerk of the Court, Jack Wagner, presented some of the issues. The Federal GSA has been in negotiations for a year and a half finding a location for the Ninth District Court (with offices for the US Marshall, Federal Probation, Bankruptcy District, and over 1600, mostly new, employees, including 11 magistrates). The search has been on sites downtown expecting to utilize a full City block. The expected lifetime use of the building would be until 2020; but we hope to extend the useful life. The City's Planning Director and Economics Director have been working with the GSA.

Committee member Serna inquired if the Courts were consolidating. Tim Johnson indicated that the region (Fresno to Oregon) is the fastest growing in the country and with that comes increased demand on the courts.

Committee member Fargo added that might be good for the downtown businesses - all the high-paid attorneys coming to town.

Committee member Serna encourages City staff to work with developers and Court to draft proposal. Expressed concern that West Sacramento could become a viable competitor/option if City does not act. He suggested that a meeting with Judge Coyle, the Mayor, Committee member Fargo and himself be set. Committee member Fargo advised that a meeting was to be held shortly.

Committee member Pane concurred it was an excellent idea.

Tim Johnson advised the Federal GSA has just completed a study of specified sites but that he does not have a copy yet; was not ready for public release.

Robert Thomas advised that the developers would be encouraged to do proposals and this matter would be brought back at the next meeting.

Council member Mueller left at 2:45 pm, returned at 2:46 pm and then left at 2:55 pm.

4. GRANITE PITS UPDATE

RECOMMENDATION OF STAFF: COMMITTEE INFORMATION ONLY

COMMITTEE ACTION:

REPORT(S) BACK: COORDINATE WITH REGIONAL TRANSIT

VOTING RECORD:

MINUTES:

Bill Farley, Sr. Management Analyst, presented this item (advising that this was in Council member Mueller's area). A study (which will be completed in June) is currently underway to determine the marketability of development to fund park improvements.

Committee member Serna requested staff to coordinate with Regional Transit per Council member Mueller's request.

5. Follow-Up on Update of Capitol Area Plan

RECOMMENDATION OF STAFF: COMMITTEE INFORMATION ONLY

COMMITTEE ACTION:

REPORT(S) BACK: REDRAFT LETTER FOR MAYOR'S SIGNATURE

VOTING RECORD:

MINUTES:

Jeff Archuleta, Associate Planner, presented this item and distributed a handout "Capitol Area Plan Progress Report". He advised the Committee that even though the handout was dated 12/91, he just got it this week. He directed Committee's attention to new State office projects listed on pages 1 and 3 (State Archives and Library and Courts expansion).

Committee member Fargo remarked that she would like to know what picture was on the cover of the handout. Jeff Archuleta admitted the cover was a very stylized, compressed, highview of Sacramento - pointed out the old hotel, the Mirador.

Committee member Pane suggested that the letter should be signed by the Mayor. He received consensus of opinion. Robert Thomas assured the Committee the letter will be redrafted for the Mayor's signature.

6. State Office Relocation Data

RECOMMENDATION OF STAFF: COMMITTEE INFORMATION ONLY

COMMITTEE ACTION:

REPORT(S) BACK: RESEARCH MRD ISSUE

VOTING RECORD:

MINUTES:

Bill Farley, Sr. Management Analyst, presented this item returning with information on renewals of State leases to answer allegations the state is leaving the downtown area. The state recently brought a database on line for their leasing activity, but it does not track information on relocation of leases. There is no way to verify or confirm that the State is migrating from downtown; however, in general terms, there is no migration. Out of 800,000 sq.ft. of office space leased by the State in the past 6 months, 60% of State office space is in City/40 % in the outlying areas. Only the most expensive buildings "Class A" have large vacancies.

Tim Johnson lead discussion on State's requirements downtown and real estate economics. Prices per sq.ft. in downtown area range from \$65-70 to \$250. The state will look for package amenities, driven by lower prices if infrastructure there, unless they need to build to specific needs.

Committee member Fargo inquired about the Northgate MRD area which is getting cleaned up and easier to move into. She suggested staff research and redefine our requirements if this is where new businesses are going.

Robert Thomas suggested that this matter come back; the Planning Department is looking at these same issues.

Committee member Serna agreed it was a good point. MRD is an upgrade of industrial; downgrade of OB.

Tim Johnson advised of an analysis the Chamber of Commerce did on MRD zoning (Brown and Coldwell) in a 4 county region. Information will be available later this spring.

Committee member Serna commented that if the private sector is weak, does the City have any strength. Since staff meets with SACTO people all the time, perhaps some information can be obtained.

Tim Johnson will report on growth indicators.

7. Transportation Issues: Report Back

RECOMMENDATION OF STAFF: COMMITTEE INFORMATION ONLY

COMMITTEE ACTION:

REPORT(S) BACK:

VOTING RECORD:

MINUTES:

Mike Kashiwagi, Transportation Division Manager, presented this item. The State, by law, must locate offices within 1/4 mile of a transportation corridor or contract with private transit. While Federal offices are not required by law to be located near public transportation, in actual practice considered the issue very important, especially with offices like Social Security where there is great public contact/service.

Committee member Pane left the room at 3:30 pm.

8. Status of Move of Department of Motor Vehicles

RECOMMENDATION OF STAFF: COMMITTEE INFORMATION ONLY

COMMITTEE ACTION:

REPORT(S) BACK:

VOTING RECORD:

MINUTES:

Tim Johnson, Sr. Planner, presented this item. The EIR has just been approved by the State Legislature; however, a copy will not be available until the final report is ready at the end of May/beginning of June. Mr. Johnson suggested the Committee keep this item before it. Robert Thomas suggested this matter brought back at the next meeting.

Committee member Pane returned at 3:32 pm.

Committee member Serna agreed because of his concern of the already inundated parking situation in the immediate area (Broadway, Curtis Park). This expansion could cause problems.

Committee member Pane left the room at 3:33 pm.

REPORTS BACK

Robert Thomas suggested the next T&CD meeting be scheduled soon, May 7th or 14th, because of the pending Federal Court matter.

Committee member Serna agreed; either day fine with him.

Committee member Fargo could not say without reviewing her calendar.

Committee member Pane returned at 3:34 pm. Either day fine with him.

Josh Pane: Transportation into Jibboom site (more of an attraction). He requested staff look into the possibility of having Regional Transit add a second track/loop, if the double-tracking issue is not too far along, into the Granite Park area. [Committee member Serna suggested that Committee member Pane also bring this issue to Regional Transit. Cited example of lost spur into Sacramento State.]

Heather Fargo: Requested research into the MRD issue.

Kim Mueller: Granite parks question with Regional Transit.

Joe Serna, Jr.: Requested Tim Johnson provide a list of private sector businesses which are in the City at the next meeting.

AD HOC QUESTIONS

Tim Johnson, Sr. Planner introduced a last issue. In regards the State Attorney General's bid, Jim Darby will be putting it out to rebid. Three facets have changed factors: increasing the square footage 100,000 sq.ft. from 296,000 to 396,000; will most likely elongate the lease term from 10 years to maybe 15-20 years; and they are changing the mechanical and structural integrity of the building.

Committee member Pane commented he had heard they did not do bidding process correctly.

Tim Johnson replied he had not heard anything on that.

Committee member Serna inquired if there were any more items.

Committee member Pane wanted clarification on the Federal Court matter. Why private developers and not our sites?

Robert Thomas explained that the formal proposal to the private sector was to do contracting work, but on our sites.


Committee member Serna added that SACTO and CBD include private sites on our maps.

Committee member Pane wanted to make sure that staff would not preclude possibility of leaving the street under the building; and, if we are going toward Southern Pacific, should be done in close contact with other half of triangle. (Southern Pacific does own that).

Committee member Serna added that there have been discussions about straightening out the block which will not work unless Southern Pacific cooperates.

The meeting was adjourned 3:40 p.m.


Chair


Secretary