



**Sacramento
Housing &
Redevelopment
Agency**

REPORT TO REDEVELOPMENT AGENCY
City of Sacramento
915 I Street, Sacramento, CA 95814-2671
www.CityofSacramento.org

Consent
May 26, 2009

Chair and Members of the Redevelopment Agency Board

Title: North Sacramento Redevelopment Area Brownfields Strategy

Location/Council District: North Sacramento Redevelopment Area (District 2 and 3)

Recommendation: Adopt a **Redevelopment Agency Resolution** establishing a Brownfield Strategy to conduct Phase I/ Phase II Environmental Site Assessment (ESA) in the North Sacramento Redevelopment Area (Attachment 1) and allocate \$500,000 of North Sacramento Tax Increment funds to develop the strategy.

Contact: Lisa Bates, Deputy Director, Community Development, 440-1316, Chris Pahule, Assistant Director, Housing and Community Development, 440-1350

Presenters: Not applicable

Department: Sacramento Housing and Redevelopment Agency

Description/Analysis

Issue: The Redevelopment Agency has acquired several properties on Del Paso Boulevard over the past few years to prepare for its future transformation to a high density, transit oriented mixed use neighborhood. As part of the acquisition process, the Agency has conducted environmental investigations to determine whether there is any contamination before purchasing the properties. Over time, it has become apparent that many properties along Del Paso Boulevard suffer from some level of environmental contamination. Much of the area's contamination is due to historic land uses such as service stations and light industry along Del Paso Boulevard (Attachment 1).

In addition to these recent discoveries of environmental contamination on the Boulevard, the Agency is working to clean up the nearby El Monte Triangle, which is a 46 parcel site just one block from Del Paso Boulevard. Remediation efforts at this site have included reviewing historic documents, testing of soil and groundwater, identifying pollutants and polluters, determining the extent and movement of two underground plumes, and developing a Remediation Action Plan.

North Sacramento Redevelopment Area Brownfields Strategy

As a result of this concentrated effort to remediate Del Paso Boulevard and the adjacent El Monte Triangle, the Agency needs a more comprehensive approach to environmental clean up in the area to redevelop existing and future sites on the Boulevard and surrounding area. Hence, the Agency recommends a Brownfield Strategy that allocates \$500,000 of North Sacramento tax increment funds to comprehensively identify potential sources of contamination and develop a remediation strategy in the Redevelopment Area. Under the Strategy, consultants will conduct Phase I Environmental Site Assessments of properties along Del Paso Boulevard between Highway 160 and El Camino Avenue and, if necessary to determine the extent of contamination, properties adjacent to the Boulevard. Consultants will provide direction on Phase II work and assist in facilitating discussions and negotiations with oversight regulatory agencies. Strategy funds will also be used to pay for oversight agreements and work with regulatory agencies (e.g., Department of Toxic Substances Control).

Policy Considerations: The recommended action is consistent with the Redevelopment Plan goal of eliminating blight and barriers to redevelopment as identified in the North Sacramento Redevelopment Project Area's 2005-2009 Five Year Implementation Plan.

Environmental Considerations:

California Environmental Quality Act (CEQA): The proposed action is exempt from CEQA per Guidelines Section 15306, which exempts data collection, research and resource evaluation activities that do not result in a serious or major disturbance to an environmental resource.

Sustainability Considerations: The recommended actions would achieve the following goals within the City's Sustainability Master Plan:

- Create "Healthy Urban Environments" through Restorative Redevelopment.
- Conserve the use and protect the sources of water.

Other: National Environmental Policy Act (NEPA) does not apply.

Committee/Commission Action: *North Sacramento Redevelopment Advisory Committee (RAC) Action:* At its March 19, 2009 meeting, the RAC recommended this item and the votes were as follows:

AYES: Armstrong, Charland, Clark, Curry, Garcia, Hubbs, Lukehart, Meeker, Mulligan, Scott, Underwood, and Veden

NOES: None

ABSENT: None

North Sacramento Redevelopment Area Brownfields Strategy

Sacramento Housing and Redevelopment Commission (SHRC) Action: At its May 6, 2009 meeting, the Sacramento Housing and Redevelopment Commission considered the staff recommendation for this item and the votes were as follows:

AYES: Burruss, Chan, Dean, Fowler, Gore, Morgan, Otto, Shah, Stivers

NOES: None

ABSENT: None

Rationale for Recommendation: The proposed Brownfield Strategy will facilitate a comprehensive approach to understanding and delineating the environmental challenges facing Del Paso Boulevard and the surrounding area. This method will fill gaps in existing data and help determine a remediation strategy for the Boulevard by allowing the Agency to conduct Phase I and Phase II Environmental Site Assessments (ESA) on properties within the boundaries of the North Sacramento Redevelopment Area as part of the Agency's efforts to eliminate blight and facilitate revitalization of the redevelopment area. Having completed this comprehensive research and analysis up front, it will also better position the Agency for State and Federal grants for brownfield remediation.

Under the new Strategy, the Redevelopment Agency will contract with an environmental consulting firm to initially undertake a thorough environmental assessment of the parcels along Del Paso Boulevard from Highway 160 to El Camino Avenue. This comprehensive study will connect the past research and assessment of the El Monte Triangle and other sections of the Boulevard to create a comprehensive picture of the contamination and identify larger environmental trends along this major commercial corridor. Estimated at a cost of \$50,000, the Phase I assessments will include site reconnaissance, research and interviews with representatives of the public, property management, and regulatory agencies. Sites along Del Paso Boulevard would be targeted for further investigation and potential remediation based on the results from these studies.

The Strategy also offers the Agency flexibility and efficiencies to tactically address potential environmental concerns of larger geographic areas in the redevelopment area and working with regulatory agencies, as well as expedite remediation and preparing sites for development. The remaining \$450,000 will be used for Phase I and Phase II Environmental Site Assessments through out the North Sacramento Redevelopment Area.

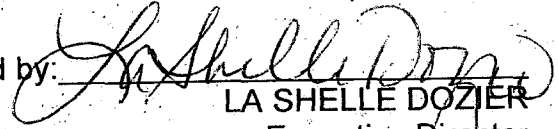
Financial Considerations: Staff recommends a budget amendment to allocate \$500,000 of North Sacramento Tax Increment funds to implement the North Sacramento Brownfield Strategy and conduct Phase I/Phase II Environmental Site Assessments and establish oversight agreements with regulatory agencies in the North Sacramento Redevelopment Area.

May 26, 2009

North Sacramento Redevelopment Area Brownfields Strategy

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

Respectfully Submitted by:


LA SHELLE DOZIER
Executive Director

Recommendation Approved:

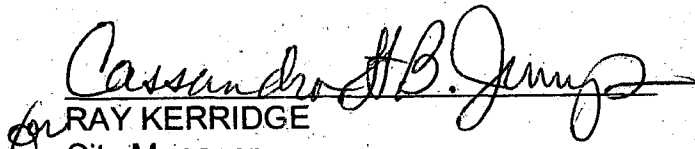

RAY KERRIDGE
City Manager





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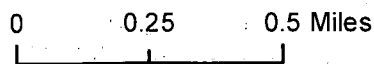
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North Sacramento Redevelopment Area



-  North Sacramento RDA
-  El Monte Triangle
-  DPB Environmental Strategy
-  Railway



SHRA GIS
 March 27, 2009
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Background

North Sacramento Redevelopment Area Brownfield Strategy

Over the past few years, the Redevelopment Agency has primarily focused its revitalization efforts on public infrastructure improvements, property acquisitions, and environmental clean up as part of the larger effort to redevelop Del Paso Boulevard into a vibrant high density transit oriented development area. The focus on improvements and acquisitions has been consistent with the broader vision outlined in the Northeast Line Plan, as well as the Five-Year Implementation Plan—to create a vibrant, mixed-use transit center. The Agency's redevelopment emphasis has been particularly focused around the Globe Light Rail Station and transforming the south end of the Boulevard into a vibrant and pedestrian friendly environment. However, as the Agency has acquired property and attempted redevelopment efforts, it has regularly encountered environmental constraints that must be resolved before development can occur. These repeated setbacks are the impetus for establishing this Brownfield Strategy and streamlining the environmental review process.

In order to assess the environmental data gaps, an assessment of properties on Del Paso Boulevard from Acoma Street to El Camino Avenue will be the first initiative implemented under the new program. Phase I and II environmental assessment will be conducted and, in the event that the study identifies conditions indicating the potential for hazardous wastes on or affecting the Boulevard, the consultant will be expected to provide recommendations regarding the:

- Potential source and contaminant;
- Status of investigations to date (with an emphasis on impacts to the Boulevard); and
- Recommendations for further assessment.

The Phase I Environmental Site Assessment (ESA) evaluates the current and historical uses of a property to determine the likelihood of the presence of hazardous substances, chlorinated solvents, and/or petroleum products in accordance with current standards and/or regulations. A Phase I ESA includes, but is not limited to, review of historical aerial photographs, review of historical records and chain of titles, site visits, and interviews with existing or past property owners. The analysis typically addresses both the underlying land as well as physical improvements to the property.

A Phase II ESA is generally performed to evaluate suspect areas identified in a Phase I ESA and typically involves soil and groundwater sampling, soil vapor testing, and/or geophysical surveys to locate potential anomalies such as underground storage tanks.

North Sacramento Redevelopment Area Brownfield Strategy

In the event that a Phase I ESA report identifies potential hazardous wastes on or affecting the property, the Agency will conduct a Phase II ESA to confirm the presence and concentration levels of hazardous contamination at the site. If the results of a Phase II assessment show environmental contamination, the Agency will identify next steps and funding sources for clean up. Upon completing this comprehensive research, the Agency will be better positioned to apply for and receive state and federal grants for brownfield remediation.

The flexibility and efficiency of the North Sacramento Brownfield Strategy will allow for comprehensive site assessments of larger geographic areas (as deemed necessary) and effective tracking of expenditures on environmental clean up, as well as establishing working relationships with regulatory agencies.

RESOLUTION NO. 2009 -

Adopted by the Redevelopment Agency of the City of Sacramento

on date of

NORTH SACRAMENTO BROWNFIELDS PROGRAM

BACKGROUND

- A. The Redevelopment Agency of the City of Sacramento ("Agency") adopted the North Sacramento Redevelopment Plan ("Redevelopment Plan") and Five Year Implementation Plan (2005-2009) for the North Sacramento Project Area ("Project Area").
- B. The Five Year Implementation Plan (2005-2009) provides for eliminating barriers to redevelopment through remediation of toxic contamination of potential development sites in the Redevelopment Area.
- C. In accordance with the California Environmental Quality Act ("CEQA") and its implementing regulations, the establishment of a Brownfields Program is exempt from CEQA per Guidelines Section 15306, which exempts data collection, research and resource evaluation activities that do not result in a serious or major disturbance to an environmental resource.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE REDEVELOPMENT AGENCY RESOLVES AS FOLLOWS:

- Section 1. The establishment of the North Sacramento Brownfield Strategy allowing the Agency to conduct Phase I and Phase II Environmental Site Assessments (ESA) in the redevelopment area in its effort to eliminate blight is approved.
- Section 2. The Executive Director, or her designee, is authorized to amend the budget to allocate \$500,000 of North Sacramento Tax Increment funds to the North Sacramento Brownfield Strategy.