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City Council  
Sacramento, California

Honorable Members in Session:

SUBJECT: **Infill Strategy (M00-058)**

LOCATION/COUNCIL DISTRICT: Citywide

RECOMMENDATION: This item is a workshop for informational purposes, intended to review findings and to solicit general direction regarding follow-up outreach and implementation actions.

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FOR COUNCIL MEETING OF: March 20, 2001 (afternoon)

SUMMARY: The City Council directed staff to investigate options and incentives to more comprehensively promote and target infill development in the city. Infill development can help achieve the City's housing needs, support air quality and transit goals, eliminate blight, enhance neighborhoods, and provide economic development opportunities.

Planning staff reviewed various factors related to infill development, including analyzing vacant and underutilized land within the city, identifying constraints to infill development, reviewing actions by other local governments to promote infill development, meeting with infill developers to identify issues and recommendations, and working with an Interdepartmental Infill Committee to identify potential options to better promote infill development.

Within the developed areas of the city, there is substantial vacant and underutilized land that could be developed or redeveloped; however there are significant constraints to such development. Staff recommends several revisions and expansions to the City's infill program, as follows: 1) expand the City's existing definition of infill to include not only housing but other small and neighborhood enhancing commercial uses; 2) adopt numerical

and qualitative infill development goals; 3) target specific types of infill development; and 4) offer focused incentives to help achieve infill development goals.

Based on an analysis of various City objectives and available development opportunities, staff recommends targeting the following types of infill development:

- Residential development and supportive neighborhood uses in redevelopment areas and other transitional neighborhoods
- Housing, mixed use, and smaller commercial development in the Central City
- Commercial, residential, and mixed use development in older commercial corridors
- Transit-oriented development
- Historic preservation/rehabilitation and adaptive reuse
- Individual vacant single family lots

Proposed strategies are focused on reducing the time, cost, and uncertainty associated with infill development, including the following:

- Regulatory flexibility for infill projects
- Process streamlining
- City assistance with needed infrastructure improvements
- Fee reductions and waivers
- Designated infill staff within the city
- Marketing the City's infill program and positive infill examples to development interests and neighborhood groups

**BACKGROUND INFORMATION:** The City Council directed City planning staff to review infill issues within the city and develop a more comprehensive strategy to promote compatible infill development within the city.

### **What is Infill Development?**

Infill development is the process of developing vacant or under-used parcels within existing urban areas that are already largely developed. Most communities have significant vacant land, which, for various reasons, has been passed over in the normal course of urbanization or where existing uses are no longer viable due to changes in development trends or disinvestment. As a mature city, much of Sacramento's incorporated territory was developed before 1970. Like many older cities, Sacramento has substantial vacant and underutilized land, some resulting from demolitions or loss or prior buildings without replacement, shifting economic and industrial patterns, demographic changes, and competition from newer development.

Infill development provides for more efficient use of land, reducing requirements for regional expansion, as well as promoting investment in existing neighborhoods, providing a range of housing types and affordability levels, promoting economic opportunities within the urban area, and making transit and other alternate modes of transportation more feasible.

A comprehensive infill strategy focuses on more than the piecemeal development of individual lots. Instead, a successful infill development program focuses on the completion of the existing community fabric and filling gaps in neighborhoods.

### **Existing Definition and Incentives**

The City has adopted policies promoting infill development in its General Plan and many of its Community Plans, and within the recently adopted Housing Element. Infill incentives adopted by the City include waiver of City water development fees for new residential development within certain areas that meet the defined criteria (and are located within the boundaries shown in Attachment B), and a 25 percent reduction in planning fees. A variety of programs administered through the Sacramento Housing and Redevelopment Agency (SHRA) and Capitol Area Development Authority (CADA) also promote infill development within the city.

The City's current definition of infill identifies specific areas defined as infill (see map in Attachment A) supplemented with descriptive definitions. The written definition is limited to residential areas only, where the lot is surrounded on at least three sides with development. The site must be five acres or less in size for single family zoned land and two acres or less for multi-family zoned land, and have available water, sewer, and drainage services. The specific areas currently defined in the General Plan were based on locations with deep lots or where future intensification was possible based on zoning. At one time the City offered a 25 percent density bonus for infill projects, but this provision was not used and upon review, did not alone appear promote the overall qualities sought in infill development. The City continues to offer a density bonus for projects that include lower income and senior housing, consistent with state law, and a new ordinance will be adopted as part of the Housing Element implementation.

In summary, the current infill definition is not sufficient to accomplish many of the City's objectives, in that the definition is too limited in terms of the definition and areas designated, incentives are limited, and the definition does not include objectives concerning the qualities to be sought in infill development.

### **Identification of City's Infill Potential**

To identify the potential for infill development within the City, planning staff first identified total vacant land available within the city limits. Vacant land is mapped on Attachment C, with insets of specific areas shown in Attachments C1 through C7, and summarized by Community Plan Area in the table in Attachment D. As shown in the table, the City has nearly 9,500 acres of vacant land within the city, one-third of which is in North Natomas. Additional large acreage is found in new growth areas in the southern part of the city within the Airport-Meadowview and South Sacramento Community Plan boundaries.

To better identify future infill potential, staff removed new growth areas, and assessed future development potential within the urbanized area of the city based upon currently adopted plans. In summary, a total of 49,000 new housing units are projected within the existing city limits over the next 20 years, 19,000 of which, or nearly 40 percent, could be accommodated in urbanized areas (not including new growth areas) (see Attachment E), assuming that the City is able to address physical and infrastructure constraints. These areas also have substantial new nonresidential development potential, but this difficult to quantify in terms of the types and range of nonresidential opportunities.

In addition, planning staff analyzed the size of vacant parcels in the city (see Attachment F). Excluding North Natomas, 3,500 of the vacant parcels are individual small parcels of less than 10,000 square feet. North Sacramento alone had a total of 1,720 acres of vacant land and also had the greatest number of vacant small parcels, with over 900 vacant parcels below 10,000 square feet, and another 500 between 10,000 square feet and one acre. Other significant concentrations of vacant parcels are found in Oak Park and other areas of South Sacramento (as illustrated by the shaded parcels shown in Attachments C1 through C7).

Finally, another opportunity for infill development is underutilized land that could potentially be reused, rehabilitated, or intensified. To identify the general extent of underutilized land within the City, planning staff mapped those areas where the land value is higher than the value of the structure in the property tax assessment (after removing publicly-owned land) according to County Assessor's information. Attachment G shows the locations and the table in Attachment H summarizes the acreage by Community Plan Area. This exercise tends to identify larger areas for reuse, including both UP railyards, as well as individual lots. This is not intended to indicate that all the properties indicated should be redeveloped or intensified, but to convey generally the potential scope for this kind of infill development.

Two other areas of great opportunity for infill development include transit-oriented development around existing and future light rail stations and new commercial and residential development in the City's older commercial corridors. The development potential within these areas has not yet been quantified. Planning staff is currently conducting and participating in various studies around existing and future light rail stations, and City Economic Development Department, City planning staff, and SHRA are involved in various commercial corridor studies and special planning districts for older commercial corridors.

### **Future Goals and Definitions for Infill Development**

Based on the identified potential, staff proposes the following goals to promote within an expanded infill strategy.

**Goal 1:** Promote infill development that contributes positively to the surrounding area and the City, and assists in meeting neighborhood and other City goals, including the following:

- economic development, particularly neighborhood serving retail, office, and employment
- historic preservation
- neighborhood enhancement
- redevelopment/blight abatement
- providing a range of housing types
- promoting transit
- providing air quality benefits

**Goal 2:** Adopt City policies, regulatory processes, and focused incentives that reduce time, cost, and uncertainty for infill development that promotes these City objectives.

To meet these goals, staff proposes the following types of infill development be targeted and offered future incentives.

- a. Residential development and supportive neighborhood uses in redevelopment areas and other transitional neighborhoods
- b. Housing, mixed use, and smaller commercial development in the Central City
- c. Commercial, residential, and mixed use development in older commercial corridors (as adopted in the City's Economic Development Strategy)
- d. Transit-oriented development
- e. Historic preservation/rehabilitation and adaptive reuse
- f. Individual vacant single family lots

In addition, staff recommends creating numerical objectives regarding infill development within the City. Assuming a projected average future citywide growth of 2,000 housing units per year, staff recommends a City objective of capturing 20 to 25% of that annual growth (i.e., 400-500 housing units per year) in the developed parts of the city (i.e., outside new growth areas). Again, it is difficult to quantify equivalent goals for nonresidential development.

There remain other important infill objectives, including large reuse plans (i.e., railyards and various kinds of industrial development), which should be subject of separate planning and financial feasibility efforts.

## **INFILL CONSTRAINTS & ISSUES**

**Land availability.** While there is substantial inventory of land that is potentially available for infill development, much of the land is constrained by size, parcelization, or other site conditions.

- *Size.* Many of the infill sites are single or small parcels. Due to their size, they cannot benefit from the economies of scale that larger new developments enjoy. In essence, infill development on single and small lots are small custom homes. As indicated, the City has 3,500 vacant parcels that are 10,000 square feet acre or smaller.
- *Shape and existing parcelization.* Existing parcel sizes may be very small, oddly shaped, or require aggregation or remapping to accommodate new projects.
- *Site conditions.* Infill sites often face other conditions that make development difficult, including lack of access to roadways, small wetland areas, or toxic difficulties. In particular, many of the larger sites that are opportunities for reuse are often former commercial or industrial uses that require certain levels of toxic cleanup (i.e., former gas stations, R Street Corridor). In other instances, the site may be constrained in a financial manner as a result of liens on the property resulting from unpaid City fines for code enforcement actions. In some instances, these liens exceed the value of the land, making it unprofitable to develop.

**Infrastructure.** Prevailing wisdom on infill development is that it is more efficient because it is built in areas where infrastructure already exists. While this is certainly true in many respects, at the project level, infill development frequently requires upgraded or expanded infrastructure due to the age of the existing infrastructure, the higher density or intensity of the new infill project over what the infrastructure was required to serve, or to meet current building, fire, or other codes that have changed since the infrastructure was originally developed. In the post-Proposition 13 era, the costs of these upgrades are typically required to be made by the

project developer, and the total costs and requirements may not be fully known until late in the development process, adding to the uncertainty associated with infill development.

**Regulatory.** Infill projects must often go through substantial regulatory processes, for many reasons. First, due to land constraints, they may have to aggregate and remap land, or require certain variances or special permits to accommodate a project on the proposed site. These can run the range of items from height, density, type or mix of uses, building setbacks, provision of parking, driveways, and other issues. In addition, building design is often important to the existing setting and to ensure quality of development in difficult areas. This means that infill projects are frequently subject to some level of design review by the City. Projects in redevelopment areas typically also require some level of review by Redevelopment Project Area Committees or Redevelopment Area Committees. Any funding support is also accompanied by a host of federal, state, or local regulatory requirements. Meeting all these regulatory requirements and processes adds to the time, and therefore carrying costs, associated with infill development. Since, by definition, infill projects are located within existing areas, there is also often neighborhood involvement and comments on the project, which also can add to the complexity and issues for the project. At all of these regulatory avenues, there is uncertainty in the process concerning whether or what conditions will be placed on the project, adding to the risk associated with the project.

**Marketability.** An important aspect of infill development is whether a project will be desirable and profitable as a residential or commercial venture. Some infill areas are difficult to market, especially when compared with newly developed neighborhoods. Real or perceived issues of public safety, the appearance of the neighborhood, the availability and quality of public and neighborhood facilities and services, including parks, community facilities, grocery stores, and particularly the quality of public schools, are major factors affecting the desirability and marketability of areas.

**Competing goals.** While the planning and development processes frequently entail balancing of competing objectives, infill projects frequently face competing goals and values, without clear indications of which values should prevail. Some typical examples include:

- Increased traffic to a neighborhood
- Reduced parking requirements for a project versus street parking impacts
- Increased requirements for public facilities
- Impact on street trees and other heritage trees
- Impact on historic resources
- Design requirements versus cost

**Financial.** All the issues described above affect the cost and potential profitability associated with infill development. The uncertainty and time associated with moving through the regulatory process adds to the overall carrying costs for infill development. Lenders are also frequently more cautious without a guaranteed track record for various kinds of infill development, making financing more difficult. Depending on the neighborhood in which it is located, infill development may also not be able to command the same market prices as comparable development in newer areas.

**Fees and Other Charges.** The fees and charges on new development to provide City and other governmental services are another cost of developing. Attachment I compares per-unit fees for typical residential development, comparing single and multi-family in North Natomas with a typical subdivision within an older developed part

of the city and a townhome project in the Central City. This comparison is intended to illustrate the relative comparison between the fees for infill development versus development in new growth areas, as fees in North Natomas tend to be the highest in the city, and reflective of development in new growth areas throughout the region. Note that some other areas of the City (i.e., Downtown/Richards Boulevard) are in specific facility impact areas with associated additional costs. These fees shown in Attachment I and J are intended to be general estimates for illustrative purposes.

The following summarize the major findings regarding fees, based on analyses in Attachments I and J:

- Total fees per unit in North Natomas are estimated at approximately \$23,000 for a single family home, and \$12,000 per multi-family unit. In comparison, a typical infill single family subdivision (outside the Central City) is approximately \$14,000 per unit.
- There are two major reasons for the differences in fees between North Natomas and infill areas: 1) the higher impact fees for the Natomas Unified School District compared with those in the Grant/North Sacramento Districts and Sacramento City Unified School District; and 2) the costs associated with the North Natomas fees (and the habitat and SAFCA flood improvements fee) which pay primarily for the costs of providing infrastructure and other public improvements to the area..
- Although infill development would typically not be subject to North Natomas-type fees to fund infrastructure, infill projects are typically required to directly pay for the costs of infrastructure improvements required by the project (e.g., redoing sidewalks, upgrading water or drainage services, alley improvements, installing streetlights). These factors vary greatly depending on specific circumstances of individual infill projects, but can add \$5,000 to \$20,000 per unit.
- Generally, the highest individual fees are school impact fees, which represent 24% of North Natomas fees and 16% of general infill.
- Sacramento County Regional Sanitation District (SCRSD) sewer facility impact fees currently represent about 10% of total North Natomas fees and 18% of general infill. After the fee increase approved by SCRSD takes effect April 28, 2001, that will raise per-unit fees from \$2,404 to \$3,500, increasing the proportion to 15% of total North Natomas fees and 23% of general infill fees.
- The City park development impact fee, adopted about two years ago to address the need to fund park development and generated concern from infill developers over added costs, represents approximately 9 percent of general infill fees at \$1,259 per unit.
- The City water development fee represents approximately 14% of total fees for large infill projects. Smaller infill projects are able to take advantage of the City's water development fee waiver.
- Quimby fees, which pay for park acquisition (separate from the park development impact fee), are derived from a formula based on land value and the number of residential units and the City's adopted park standard. Because land values are comparatively very high in the Central City and densities tend to be higher, applying using this formula results in Quimby fees in the Central City that are substantially higher than elsewhere in the city.

- Per-unit Quimby fees are estimated at \$1,490 per single family unit and \$880 per multi-family unit in North Natomas, and \$745 in infill areas outside the Central City. Based strictly on the Quimby ordinance formula, these fees would be \$9,800 per unit for a townhome project in the Central City, or nearly half the total fees. The Parks Department has been addressing these issues by adjusting the formula for individual projects, resulting in a Quimby fee of about half the amount based on the adopted formula. Even adjusted, the fee would still be about 30% of the total fees for a Central City townhome project, and two to three times the amount of equivalent development in North Natomas.
- A future fee for impacts for increased contributions to the Combined Sewer System is being developed. This fee could potentially add to the costs of infill in the Central City and surrounding neighborhoods served by the combined system. The Department of Utilities is currently developing a proposal for a sliding scale that will minimize the impact on smaller residential projects.
- Generally, as infill housing often sells or rents for less than development in new growth areas, fees tend to be a larger proportion of the total costs of the project.

## **OPPORTUNITIES**

Although there are significant constraints to infill development, there are also substantial opportunities available to support and promote infill development within the City.

### **Location and Amenities.**

The proximity of most infill areas of the city to the downtown and other major employment areas offers opportunities to reduce commuting or to conveniently use transit or other modes of transportation. In particular, the recent demand for new housing in the Central City is in large part driven by the opportunities to live close to employment, as well as the array of nearby cultural and entertainment venues. Many of the City's older neighborhoods are considered very desirable because of their proximity to downtown, as well as the historic buildings, parks, and mature treescape. In those neighborhoods which are lacking some of these qualities, the City has the opportunity to use its resources to improve certain public amenities (e.g., parks, streetscape) to improve neighborhoods and make them more attractive for infill investment.

### **Funding/Incentives**

Existing programs in place assist in encouraging infill development. Most of the redevelopment activities within the City are directly infill supportive, from land acquisition, development assistance, infrastructure improvements, and rehabilitation programs including facade grants, fainted ladies grants for historic preservation, and programs to rehabilitate vacant and boarded programs. The Capital Area Development Authority (CADA)'s activities are also successfully promoting infill housing development in the Central City.

## **RECOMMENDATIONS/ INCENTIVES**

Based on established City policies, the identified goals and target areas, the identified constraints, discussions with infill developers, and reviews of other City's actions, staff offers the following set of recommendations to promote the types of infill development discussed in this report.

## 1. Establish Criteria and a Rating System

Within the identified categories of infill development, staff recommends providing incentives for infill development that meets certain objectives. The type and level of incentives could vary depending on the location and type of infill development. Staff proposes a rating system that will give weighted objectives for meeting the following criteria, to be refined and weighted through further community and industry outreach and discussion following this workshop.

### *Locational*

1. In redevelopment area or within proximity of a redevelopment area
2. In targeted commercial corridor (as adopted in the Economic Development Strategy)
3. In Central City
4. In area with plan for reuse (i.e., R Street Corridor)
5. Within 1/4 mile of existing/planned transit station or in a transit village
6. In area which faces difficulty attracting new development because of identified factors including levels of code enforcement activity, public safety activity, and economic stagnation (i.e., where property values are declining, flat, or having a significantly lower rate of increase than citywide averages). This could include those areas under some other federal, state, or local program (e.g., Weed and Seed program).

Attachment K shows the locations of items 1 through 5 above. After further direction and community outreach, staff will report back and map the conditions shown in Item 6.

In addition to meeting these locational criteria, staff would recommend that incentives be provided to infill projects with the following qualities:

### *Meets Neighborhood, Housing, or Economic Objectives*

- Responds to an unmet or underserved need (i.e., grocery store, private recreational need)
- Provides localized economic benefits (i.e., provides employment for neighborhood residents)
- Adds to the range of housing types available in the neighborhood (within zoning parameters)
- Serves as a catalyst project
- Transit-supportive
- Optimizes site

### *Project Design*

- Preserves existing resources (e.g., heritage trees)
- Design and massing in scale with neighborhood
- Provides street-level pedestrian activity
- Minimizes the appearance/impact of parking
- Maximizes energy efficiency (beyond Title 24 requirements)

*Outside the desired locations, staff would also recommend incentives for the following kinds of projects in developed areas.*

- Results in environmental improvement (e.g., toxic cleanup)
- Accommodates a mix of housing affordability levels within a project
- Preserves a historic structure

## Regulatory/Process Recommendations

1. ***Establish a Citywide Infill Coordinator and Infill-Designated Staff within every development-related department.***

Infill developers identified the need to improve City facilitation to guide infill development through the variety of processes and requirements of various City departments. They recommended dedicated infill staff knowledgeable of infill issues and ways to resolve them within the various development-related City departments, and a position of sufficient authority to address and resolve competing issues. An Infill Coordinator would also act as an advocate for infill development, coordinate various inter-agency and inter-departmental efforts to support infill and implement the Infill Strategy, and pursue various grants to support infill.

2. ***Establish an Infill Special Permit*** that allows flexibility in standards and provides for trade-offs to meet the objectives and particular constraints for individual infill sites. Flexibility could include the following:

- a. Zoning (i.e., density, setbacks)
- a. Parking - number and standards/maneuvering, provision off-site
- b. Public improvements - Private streets, driveway widths, parking standards
- c. Traffic levels of service
- e. Alley paving
- f. Street lighting
- g. Off-site improvements (roadways, sidewalks, etc.)

Depending on scale and size, this Special Permit could be the authority of the Planning Director, Zoning Administrator or Planning Commission. The Infill Special Permit would not necessarily be limited for use in targeted areas, but could be applicable to appropriate development throughout the developed part of the city which face regulatory issues associated with infill site constraints.

Combined with infill-designated staff to address and resolve issues more quickly, this could streamline the process, reduce processing costs, and allow certain kinds of projects to be addressed at a lower level of regulation.

3. ***Other Process Streamlining***

Various other revisions to City processes and procedures were identified that could further streamline the process for infill development:

- a. Combine Zoning Administrator/Design Review staff level reviews
- b. Reduce some types of small focused infill from Planning Commission review and approval to Zoning Administrator level
- c. Institutionalize water development fee waiver onto Automated Permit System
- d. Establish checklist to use CEQA Infill Exemption and modify application costs for environmental review to include exemptions
- e. Establish flat rate for Quimby fee for small projects to avoid need for applicant to pay for appraisal
- f. Prepare other City Code amendments to allow for flexibility in Public Works standards consistent with the proposed Infill Special Permit

4. ***Pre-approved house plans for small lots in specified areas***  
Under this program, the City would commission a number of architectural house plans that meet the City's design standards and fit on the predominant size individual lots in targeted areas. These plans would then be pre-approved through design review, Redevelopment/Project Area Committees, and plan check processes, to allow for a one to two-day building permit. This program would assist in promoting development on the small vacant individual lots for which there is very little financial incentives to develop. Objectives are the following:
  - a. Time savings: from four to six weeks in design review (staff level) and two to four weeks in plan check to one to two days
  - b. Cost savings: Up to \$1,000 in plan check/building permit fees and possible reductions in fees to pay for architectural services. This program could be bundled with other incentives (discussed in the next section). For a single family home, assuming \$12,000 in fees, reductions could be around \$5,000, assuming savings of \$2,600 in Regional Sanitation fees and another \$2,500 in fee rebates.
  - c. Other Incentives: This program could also be bundled with other Home Ownership Task Force recommendations (to be presented later), i.e., pre-qualified home buyers, SHRA acquisition of lots

#### **Fee Reductions/Waivers**

In addition to continuing to implement the water development fee waiver for qualified infill projects, staff proposes consideration of other fee reductions for infill development that meets desired criteria.

1. ***Regional Sanitation Fee Credit Bank***  
The City has committed to participate in the SCRSD Economic Development Credit Bank, which allows the City to offer sewer facility impact fees at a reduced cost (from \$3,500 to \$923 per ESD) for economic development purposes. The City has been allocated a total of 7,971 ESDs, 15% of which may be used for housing. As currently devised, these credits are allocated after approval by the City Council. Staff will further refine criteria for recommending use of these credits for infill housing projects. In addition, staff recommends that the City Council delegate authority to issue a limited number of these credits to the Planning Director to serve small housing projects (i.e., 10 units or fewer), so that projects that require very little review or processing can receive the credit without being delayed for several weeks for the item to be agendaized and acted on by the City Council. This could be a limited amount that could be reported on and reviewed annually.
2. ***City Fee Rebate Program***  
For qualified infill projects that meet adopted criteria, staff proposes consideration of a fee rebate program to help offset the costs of infill development. The proposal is for a \$1,000 to \$4,000 per-unit fee rebate or equivalent commercial fee rebate, depending on the qualities/benefits associated with the infill project and consideration of the off-site infrastructure costs that the project would have to address. The number of units that could be assisted annually through this program would depend on the level of funding committed and qualified projects. As an example, to assist 100 targeted infill units per year (i.e., to specifically focus on assisting development of individual single family lots) at an average rebate of City fees of \$2,000 to \$3,000 per unit would require \$200,000 to \$300,000 annually. Expanding the program to assist other categories of infill would entail additional funding support.

3. ***Quimby Ordinance Revision for Central City Housing Projects***  
To address the costs of Quimby fees on Central City housing (discussed in the previous section of Infill Constraints under "Fees and Charges"), staff recommends coordination with the Parks Department to determine appropriate fees to reduce the disincentive to infill development or the need for the City to provide direct subsidies to help cover Quimby fee costs. Part of this discussion would be to explore alternative ways to address future park acquisition needs in the Central City.

### **Off-Site/Capital Improvements**

Many of the target infill areas require upgrades in essential infrastructure and services, including sidewalks, streetlights, water, sewer, and drainage systems, parks, streetscape enhancements, and other public features. Improvements in this area make infill development more attractive by improving the neighborhood and reducing the costs of infill development.

- ***Continue to commit CIP infill funding for Public Works/Utilities and coordinate with other Infrastructure efforts***

The Public Works Department budgets \$750,000 annually through the Capital Improvement Program into a fund identified as Focus Area Contingency, that is used to support infill and economic development objectives. Areas identified for use of this funding have included McClellan Heights (Parker Homes), Del Paso Nuevo and some efforts to support CADA housing projects. Potential commitments for the upcoming fiscal year include continued participation in McClellan Heights, possible funding in Del Paso Nuevo, and Albatross Way. These efforts are coordinated with Utilities Department enterprise funds and SHRA infrastructure improvements. Other infill-supportive Public Works CIPs include streetscape funding of \$350,000 per year. Redevelopment and CDBG funds are also used to fund infrastructure and streetscape improvements in various infill areas. The Department of Utilities has committed funding for economic development at an annual level of up to \$1,000,000, all or part of which could be used for infill. Last year Utilities contributed \$400,000 in funding for infrastructure improvements in Del Paso Nuevo.

Staff supports continued coordination of various CIP and infrastructure efforts to target specific infill areas. In addition, some types of off-site improvements currently required of project developers might be deferred (e.g., streetlighting) until a scheduled later date when the City would come in and make those improvements. Additional funding for capital improvements may be available in future years through a recently adopted State program to support housing development. Staff will report back on the details and potential funding from this program after further information is obtained.

### **Marketing Program**

As infill incentives are only successful if those who would take advantage of them are aware they exist, staff recommends a coordinated marketing program that includes brochures and mailings that identify infill incentives available from the various City departments and other agencies, including planning, economic development, historic preservation incentives, SHRA programs, and CADA programs. These materials could also be used to help in promoting the City's neighborhood-based infill objectives to existing neighborhood and other community groups. Based upon Council direction, staff will report back with specifics regarding the products and funding requirements.

## Other Items

Finally, there are several additional items that staff believes are important to pursue in support of infill development that would take place through separate or future efforts. These include the following:

- Community plan updates and neighborhood planning
- Completing environmental review for focused planning studies to facilitate future development
- Expand Brownfield and other toxic clean-up programs
- Acquire land to make it available for infill development (outside redevelopment areas)
- Investigate waivers or forgiveness of liens when land transferred for infill development

PUBLIC OUTREACH PROCESS: Based on direction from the City Council, City staff will take the proposed recommendations and criteria for further community discussion over the next two months, including discussions at Area leadership meetings, business and neighborhood associations, Board of Realtors, affordable housing advocacy groups, infill developers, and public advisory bodies including the Design Review and Preservation Board, Redevelopment Commission, and Planning Commission. Staff will incorporate public input and then return for City Council adoption of General Plan amendments and ordinance revisions in June. Funding commitments would be incorporated into the FY01-02 budget. Additional implementation actions may follow through the end of calendar 2001.

FINANCIAL CONSIDERATIONS: This is a workshop discussion that envisions actions that could entail future financial commitments. The costs and funding for this program would need to be determined as part of the FY01-02 budget hearing process. The General Fund cost impact would be reviewed at that time along with other programs requesting funding.

Existing commitments for infrastructure/streetscape enhancements in Public Works and Utilities budgets (non General Funds) would be continued, with continuation of exploration of how best to coordinate multiple department and agency efforts. Staff will explore potential funding sources for an infill fee rebate program, to identify possible sources of funding other than or to supplement the General Fund, and will report back during budget workshops. Depending on funding sources and infill development assistance goals, this could be \$200,000 or more annually. Other line items could include \$10,000 to \$25,000 in architectural fees to develop pre-approved single family house plans, which could be partially provided by SHRA funds, and \$25,000 to \$40,000 for marketing the infill program to prospective developers, to be combined with SHRA, Economic Development, and CADA.

In addition, without further direction, the specific costs associated with staffing of Infill Coordinator and infill designated staff is presently unknown, but could include new staff or reallocations/reassignments of existing staff. Many staff could be reallocated within existing Departments to be infill-focused. To help facilitate infill project review and streamlining, conduct additional pre-project review, and implement other recommended actions, staff envisions an additional 1.5 to 2.0 new FTE, located within the Planning and Building Department and/or a higher managerial level, at rough costs of \$150,000 to \$200,000 annually (including salaries, benefits, and associated costs). Based on further direction, staff will report back on these staffing within the overall budget discussions. This program also envisions the identification and pursuit of available grants to assist in the implementation of some of these programs.

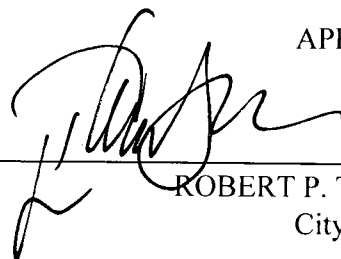
ENVIRONMENTAL CONSIDERATIONS: This item is for informational purposes. Future plan amendments, ordinances, and CIPs will be evaluated as appropriate pursuant to the California Environmental Quality Act.

POLICY CONSIDERATIONS: The intent of the proposed strategy is to promote infill development consistent with existing General Plan, Housing Element, Redevelopment Plan, and community plan goals and policies. General Plan and Community Plan amendments may be necessary to further specify infill goals, objectives, and identified criteria.

ESBD CONSIDERATIONS: Not applicable.

Respectfully submitted,

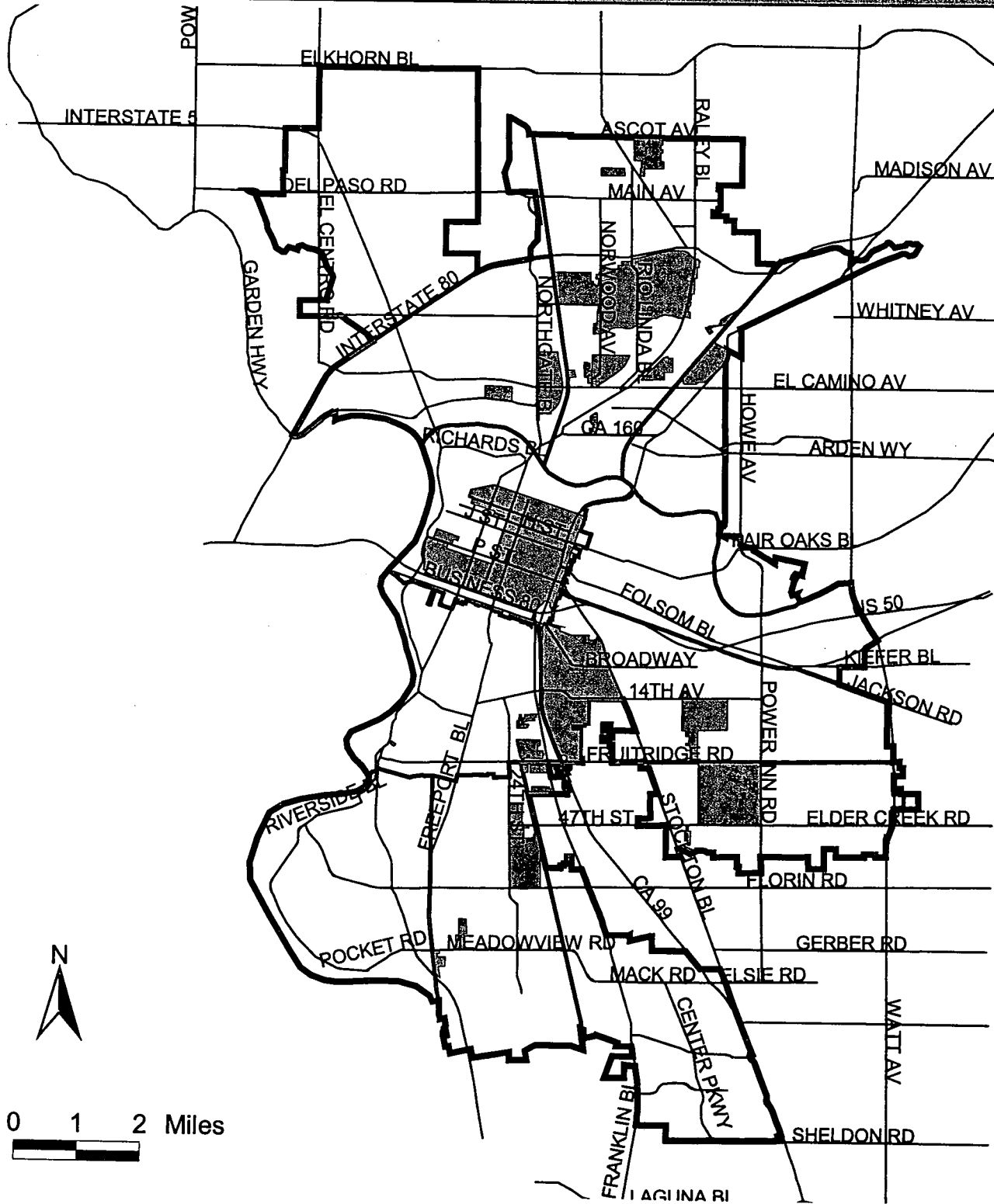
  
GARY L. STONEHOUSE  
Planning Director

APPROVED:  
  
ROBERT P. THOMAS  
City Manager

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# ATTACHMENT A General Plan Infill Areas



0 1 2 Miles



City Boundary



Infill Areas



Streets



Community Plan Area Boundary

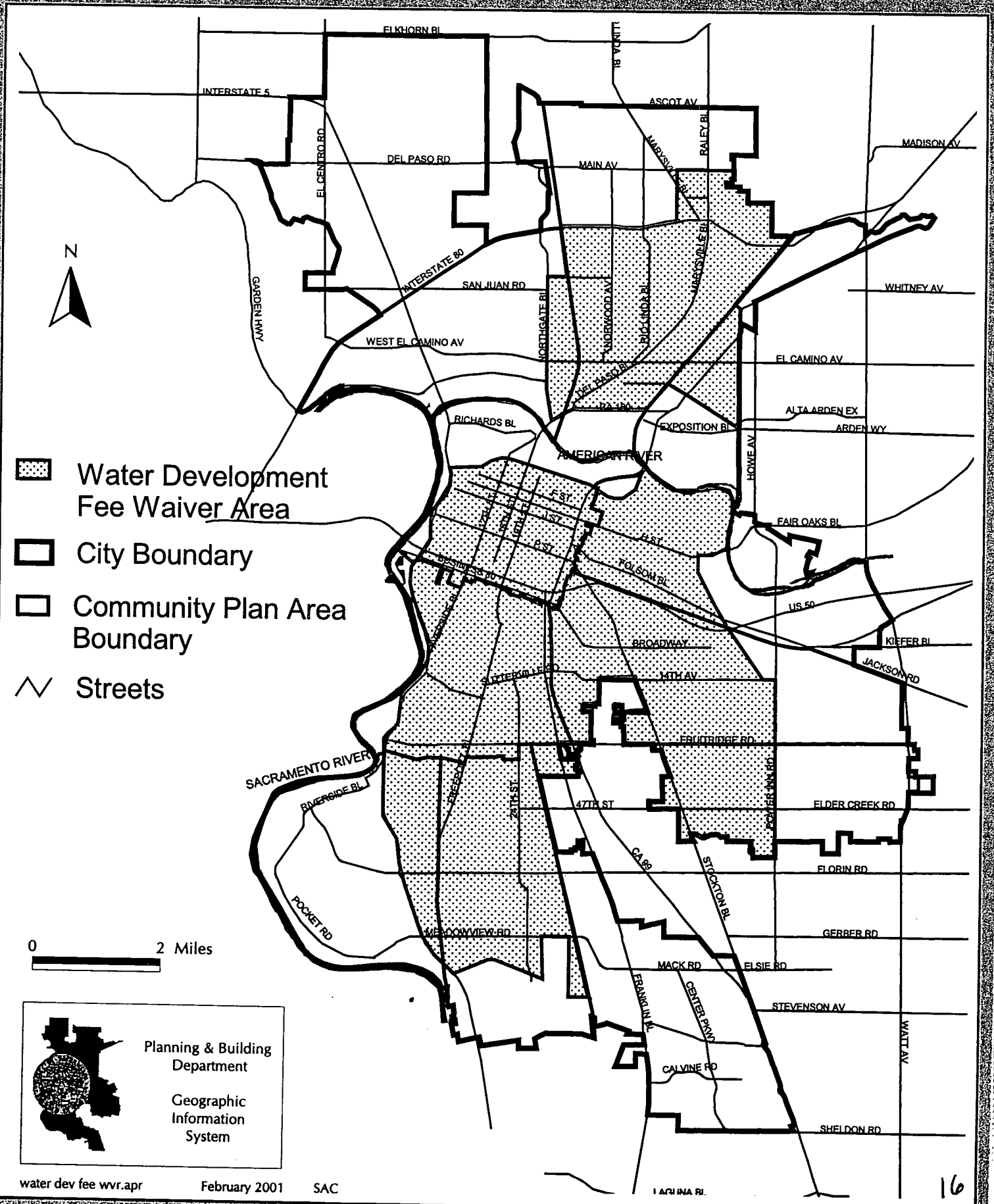
Planning and Building  
Department








Geographic Information  
System

ATTACHMENT B  
City of Sacramento

# Water Development Fee Waiver Area

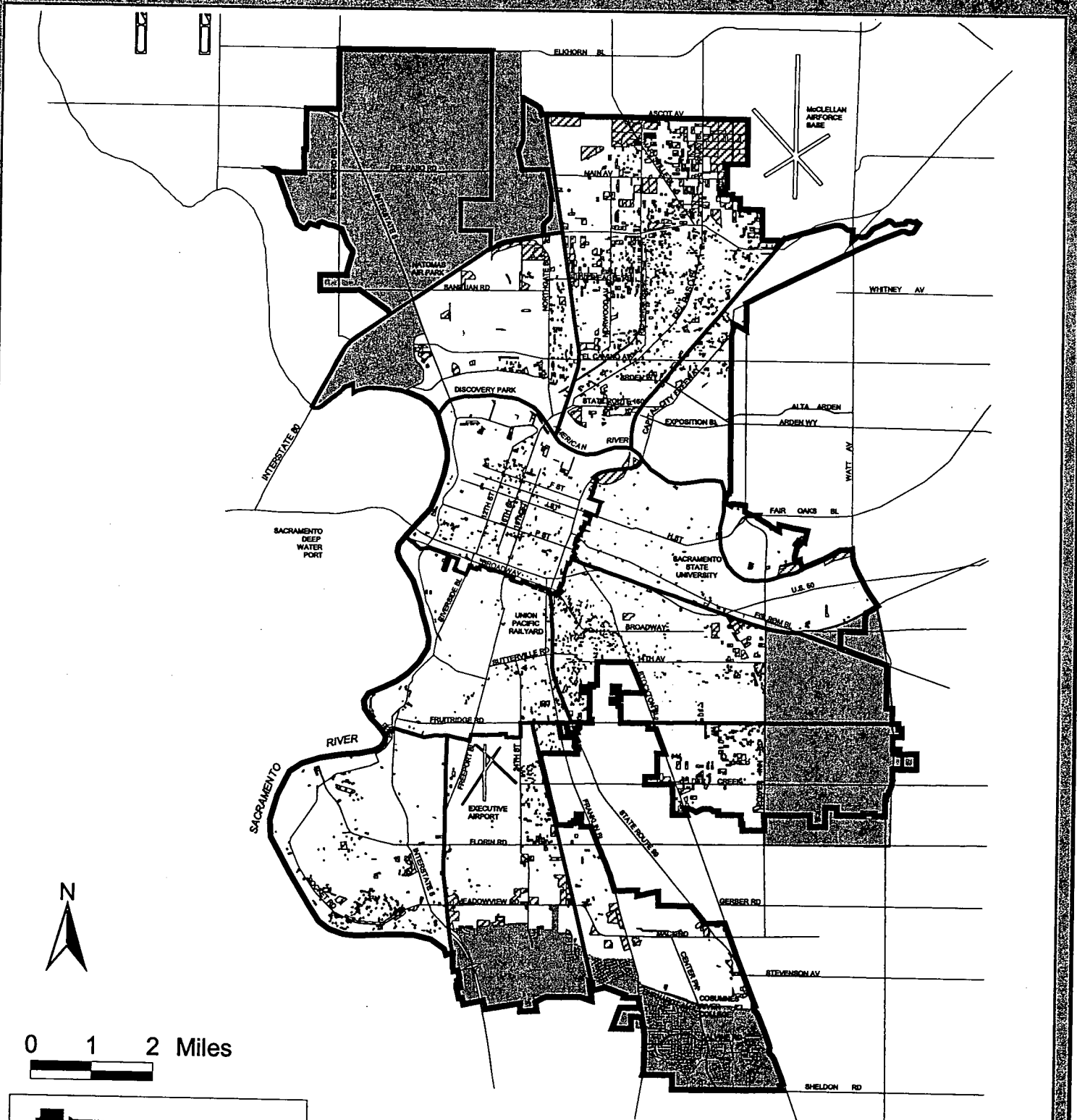


-  Water Development Fee Waiver Area
-  City Boundary
-  Community Plan Area Boundary
-  Streets

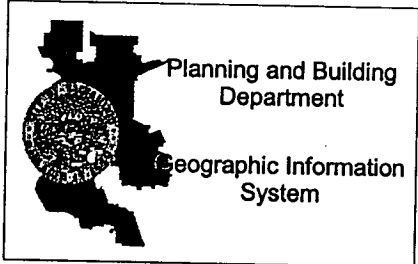







Planning & Building Department  
Geographic Information System

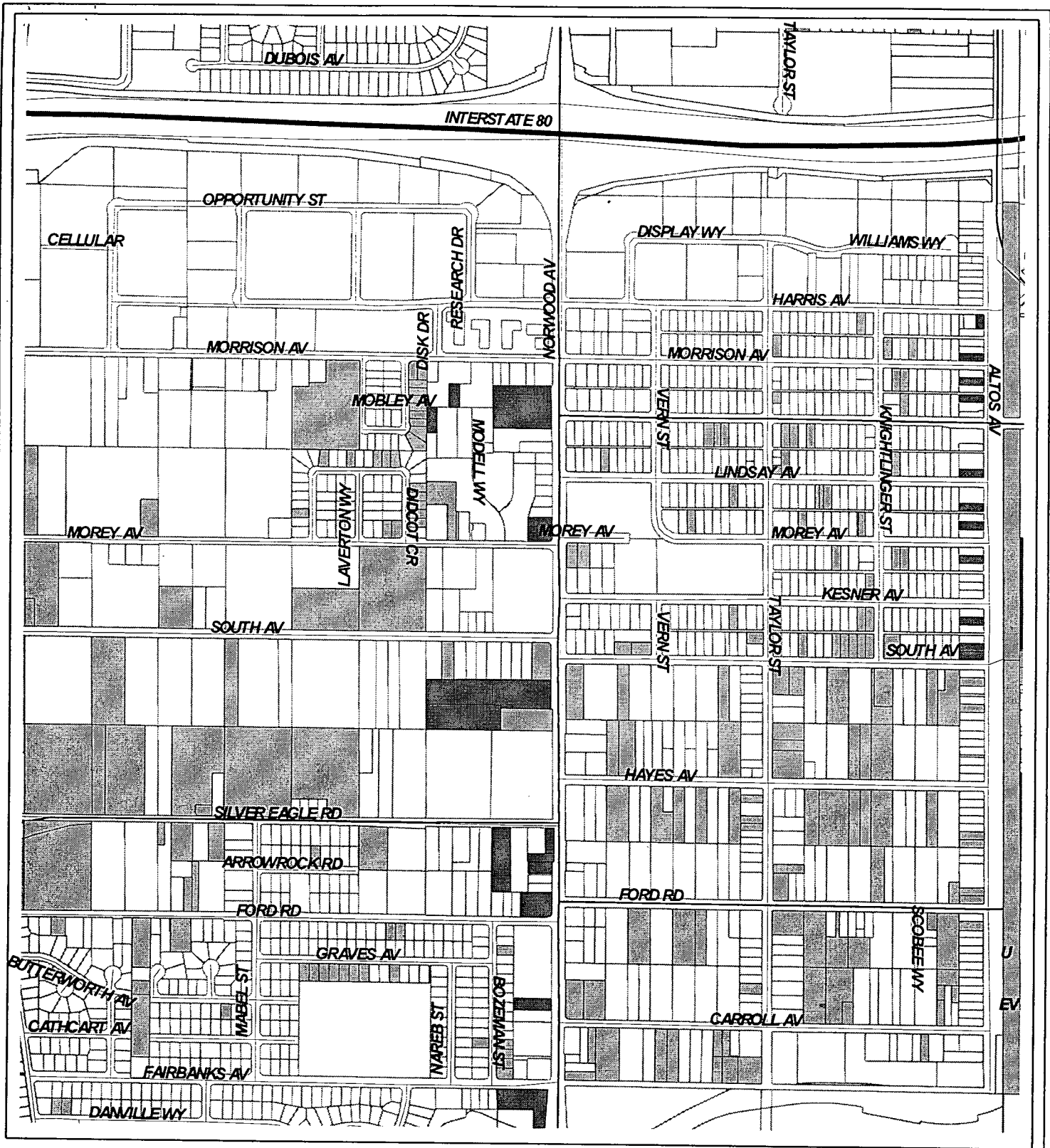
# ATTACHMENT C Citywide Vacant Land





0 1 2 Miles



-  City Boundary
-  Community Plan Areas
-  Streets
-  Vacant Land



North Sacramento: West Del Paso Heights

-  Single Family
-  Multi-Family

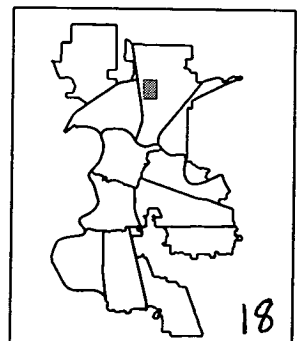
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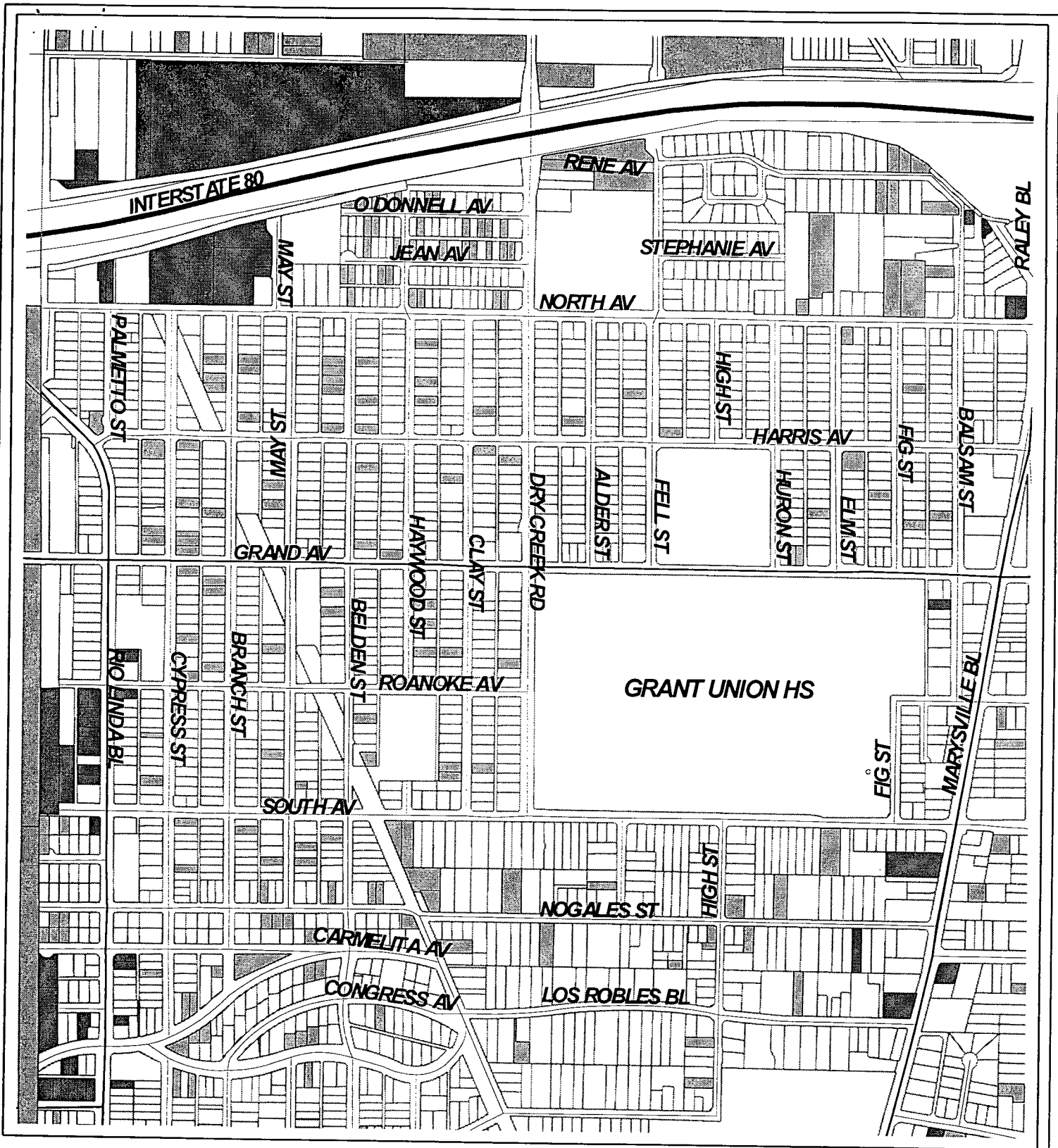


Attachment C1





City Location





North Sacramento: Del Paso Heights

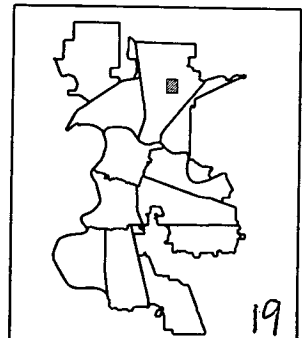
-  Single Family
-  Multi-Family

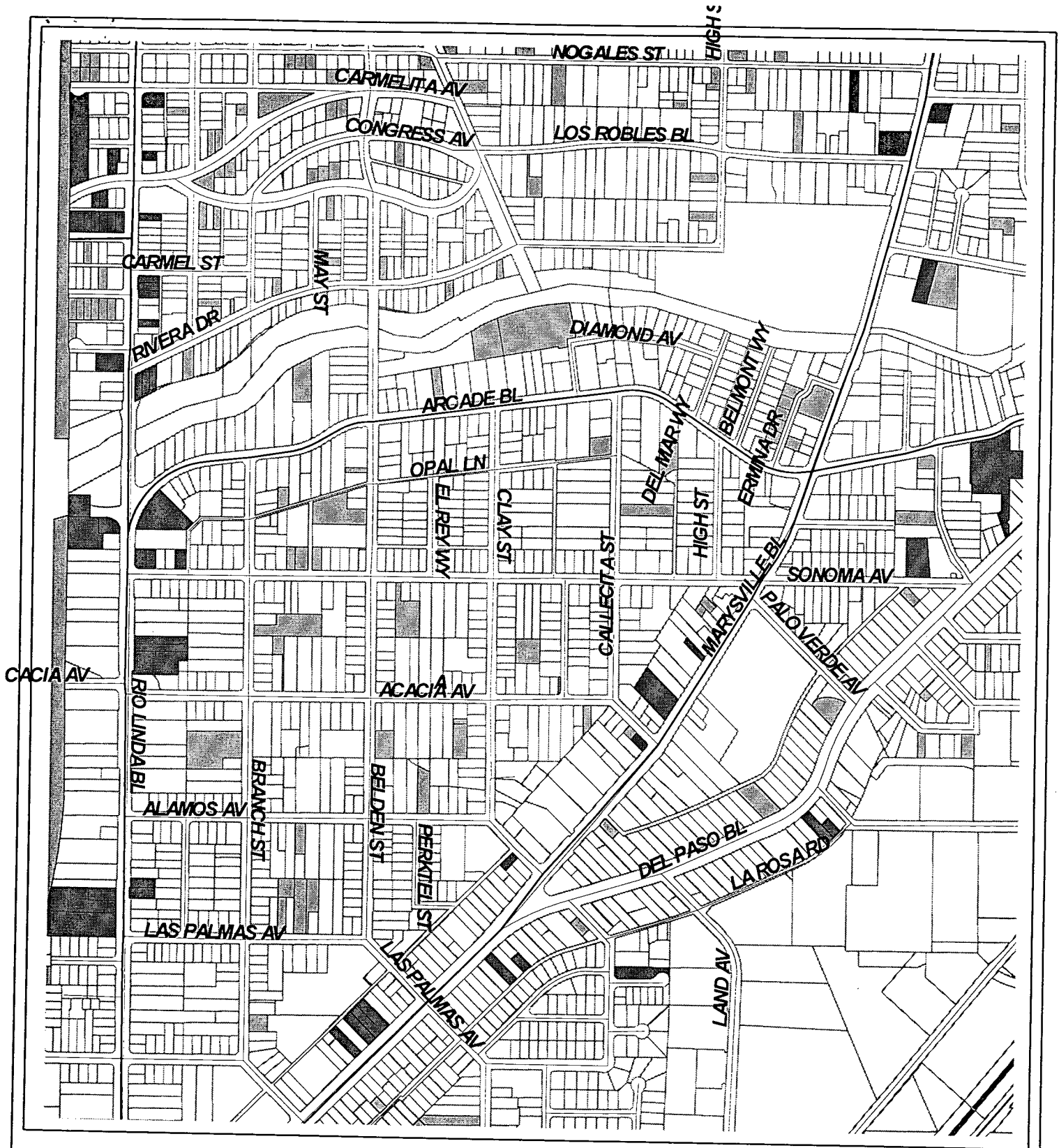


Att:





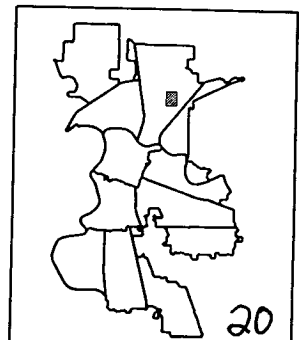
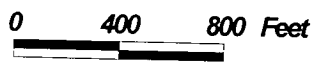
City Location





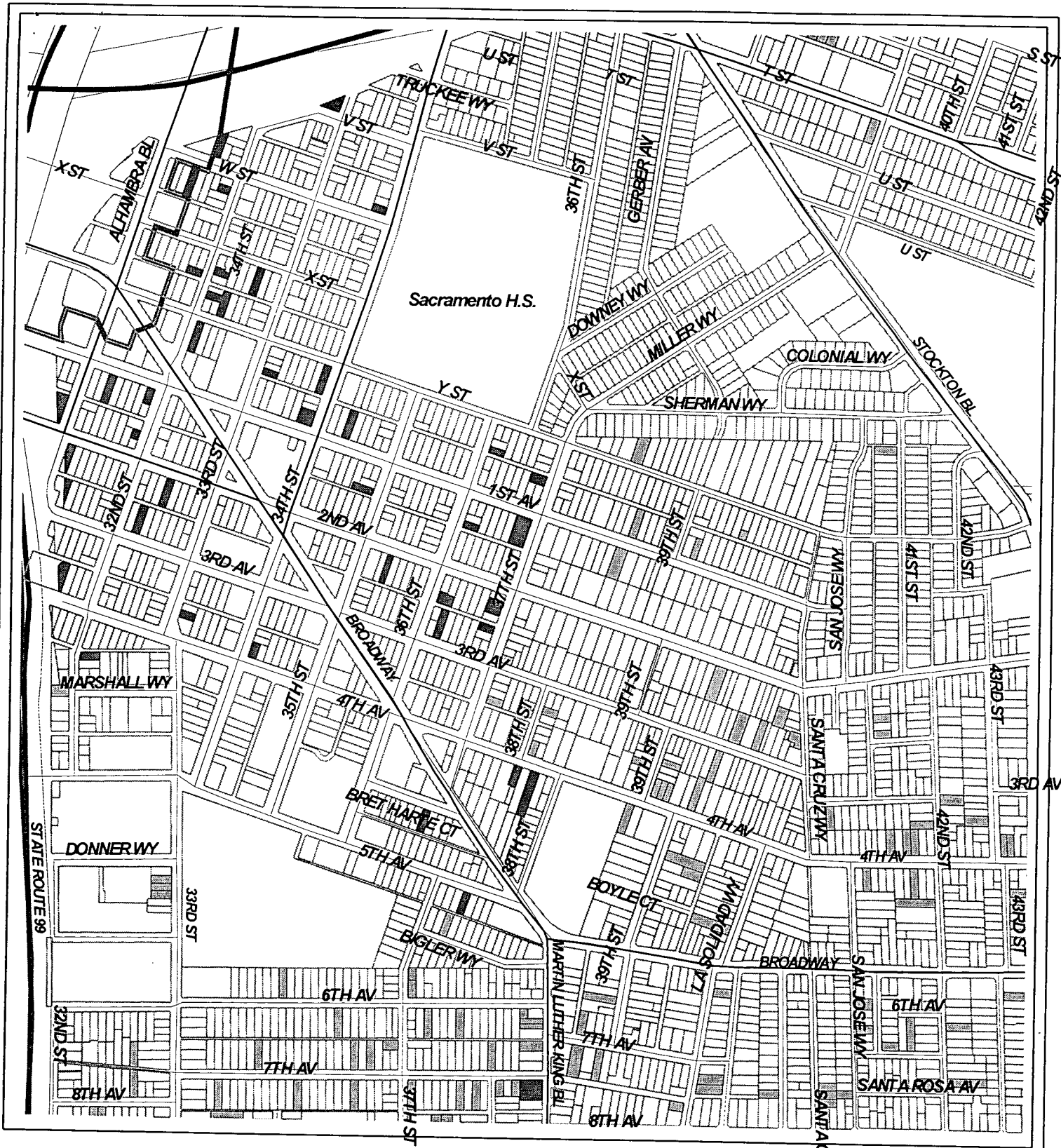
North Sacramento: Del Paso Heights/Hagginwood

-  Single Family
-  Multi-Family





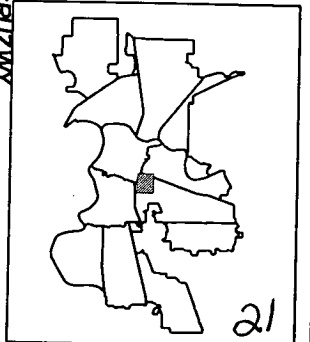
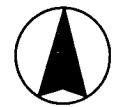
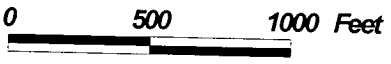
Attachment C3

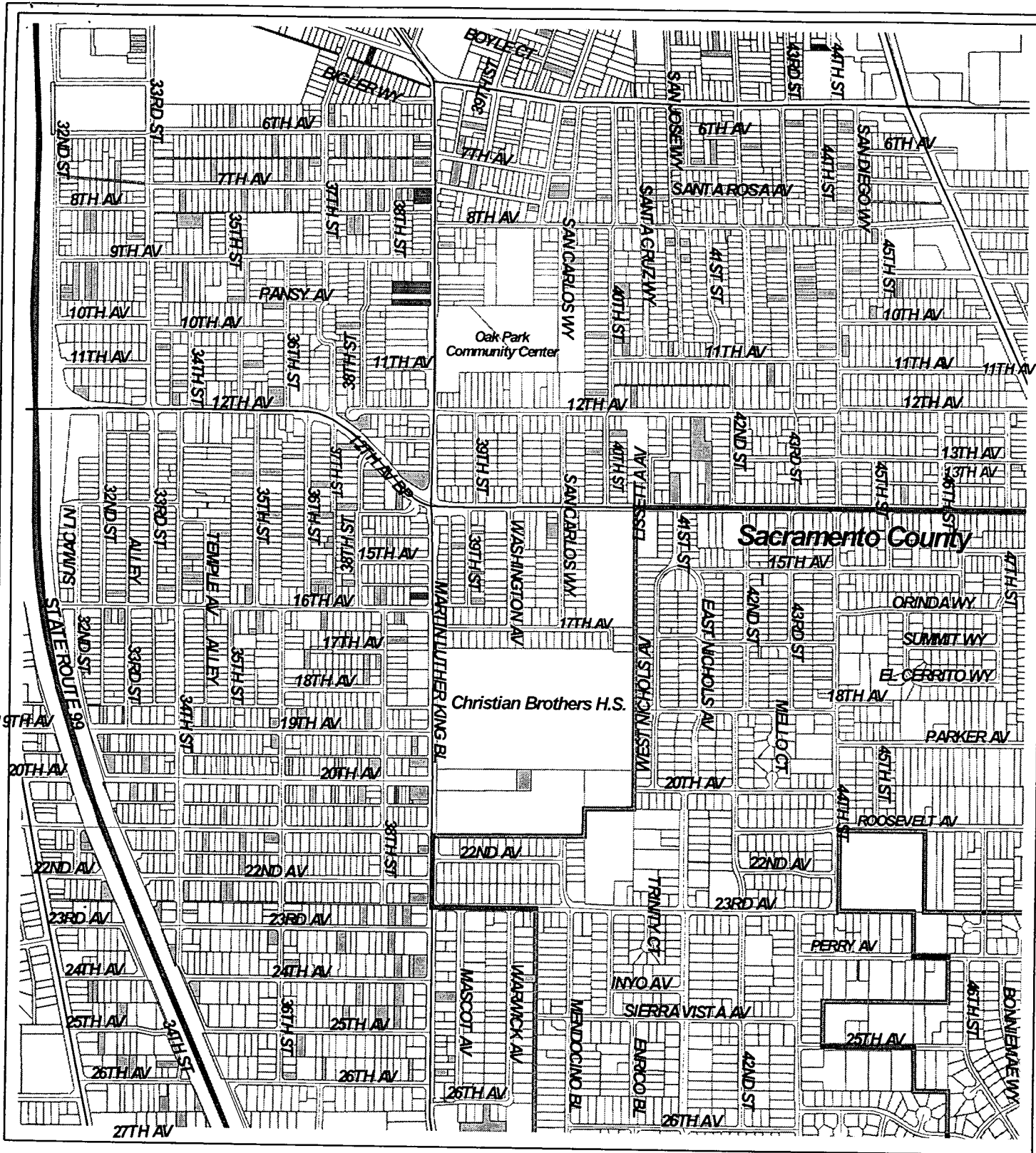
City Location





East Broadway: North Oak Park

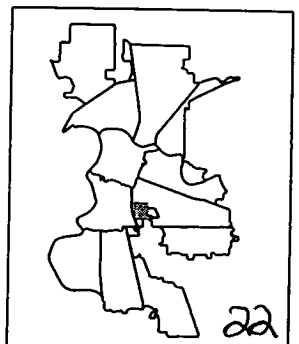
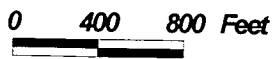
-  Single Family
-  Multi-Family







East Broadway: Central/South Oak Park

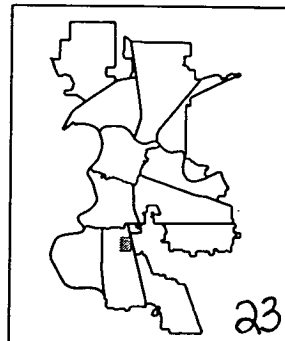
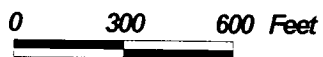
-  Single Family
-  Multi-Family





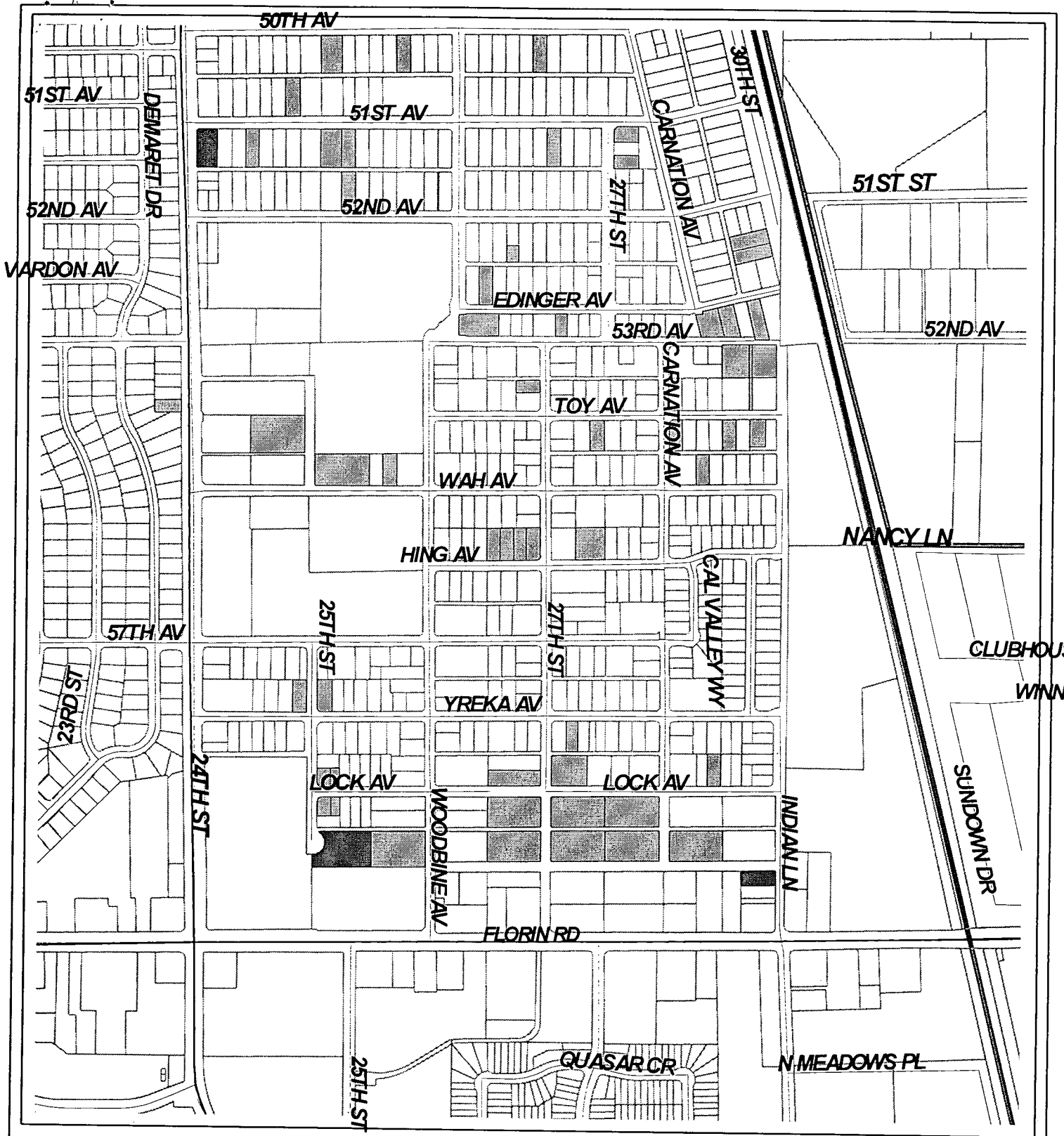
Woodbine Area: North

-  Single Family
-  Multi-Family



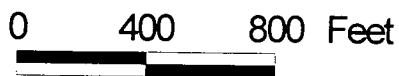
Attachment C6

City Location



Woodbine Area: South

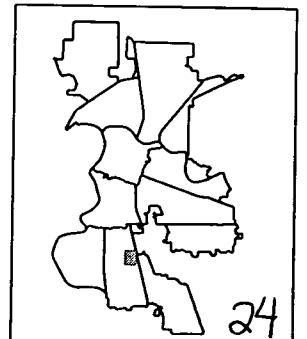
-  Single Family
-  Multi-Family



Attachment C7



City Location



**Attachment D**  
**ACRES OF LAND BY ZONE, CITY OF SACRAMENTO**

ACRES OF LAND	AIRM	ARDEN	CENT	EBWY	ESAC	LPARK	NNAT	NSAC	POCK	SNAT	SSAC	TOTAL
<b>Single Family</b>	3,633.77	1,111.39	238.59	2,385.20	2,287.52	2,560.09	2,038.21	3,518.10	3,099.78	1,934.62	3,841.17	26,648.44
Vacant Acres	613.40	7.57	1.89	79.31	7.55	30.12	1,255.07	485.53	117.46	159.75	393.69	3,151.34
% of total	16.9%	0.7%	0.8%	3.3%	0.3%	1.2%	61.6%	13.8%	3.8%	8.3%	10.2%	11.8%
<b>Multi-Family</b>	88.63	209.49	596.85	265.71	251.18	295.17	586.50	413.48	336.29	403.41	436.23	3,882.95
Vacant Acres	16.45	9.68	18.75	10.74	3.61	3.02	492.52	103.07	4.73	31.43	143.56	837.56
% of total	18.6%	4.6%	3.1%	4.0%	1.4%	1.0%	84.0%	24.9%	1.4%	7.8%	32.9%	21.6%
<b>Agriculture</b>	252.18	2.08	-	-	0.18	-	466.09	322.14	273.41	310.10	609.64	2,235.82
Vacant Acres	45.19	-	-	-	-	-	289.63	129.83	18.27	172.21	38.42	693.55
% of total	17.9%	0.0%	0.0%	0.0%	0.0%	0.0%	62.1%	40.3%	6.7%	55.5%	6.3%	31.0%
<b>Commercial</b>	185.81	480.39	969.58	406.92	297.57	200.52	1,171.60	373.22	156.08	632.74	609.20	5,483.62
Vacant Acres	48.74	9.99	44.51	48.29	10.02	9.22	763.50	81.57	31.43	173.49	180.98	1,401.74
% of total	26.2%	2.1%	4.6%	11.9%	3.4%	4.6%	65.2%	21.9%	20.1%	27.4%	29.7%	25.6%
<b>Industrial</b>	638.29	246.94	870.91	1,758.62	374.09	184.13	708.36	1,850.41	-	52.03	1,976.63	8,660.42
Vacant Acres	507.35	19.09	38.53	675.69	55.18	2.41	582.04	736.80	-	2.67	421.72	3,041.48
% of total	79.5%	7.7%	4.4%	38.4%	14.8%	1.3%	82.2%	39.8%	0.0%	5.1%	21.3%	35.1%
<b>Other</b>	2.69	556.84	283.79	167.45	236.18	88.17	1,803.66	861.97	28.45	732.74	78.08	4,840.03
Vacant Acres	-	35.58	1.84	0.35	51.04	6.00	43.18	26.21	0.27	168.23	38.72	371.42
% of total	0.0%	6.4%	0.6%	0.2%	21.6%	6.8%	2.4%	3.0%	0.9%	23.0%	49.6%	7.7%
<b>TOTAL ACRES</b>	4,801.36	2,607.13	2,959.72	4,983.90	3,446.72	3,328.08	6,774.42	7,339.33	3,894.01	4,065.65	7,550.94	51,751.27
<b>TOTAL VACANT ACRES</b>	1,231.13	81.91	105.52	814.38	127.40	50.77	3,425.94	1,563.01	172.16	707.78	1,217.09	9,497.09
<b>% OF TOTAL</b>	25.6%	3.1%	3.6%	16.3%	3.7%	1.5%	50.6%	21.3%	4.4%	17.4%	16.1%	18.4%

The following zones are included in the above designations:

Single Family: RE\*, R-1\*

Multi-Family: R-2\*, R-3\*, R-4\*, R-5\*, RMX\*, RO\*

Agriculture: A, A-PUD\*

Commercial: O\*, E\*, C\*, SC\*, HC\*, T\*

Industrial: M\*

Other: H, SPX\*, A-OS\*, F\*, ARP-F\*, H-SPD\*

Source: County Assessor's Office

City of Sacramento, Department of Planning & Building

\* Includes all variations.

Community Plan Areas

AIRM - Airport-Meadowview

ARDEN - Arden-Arcade

CENT - Central City

EBWY - East Broadway

ESAC - East Sacramento

LPARK - Land Park

NNAT - North Natomas

NSAC - North Sacramento

POCK - Pocket

SNAT - South Natomas

SSAC - South Sacramento

## Attachment E

### PROJECTED HOUSING UNIT GROWTH (1998-2022) By Community Plan Area

Comm Plan Area	1998			2022			TOTAL Projected Growth			Avg per Year
	Infill	NG	Total	Infill	NG	Total	Infill	NG	Total	
AIRM	10,410		10,410	13,966	600	14,566	3,556	600	4,156	208
ARDEN	5,534		5,534	5,547		5,547	13	-	13	1
CENT	18,627		18,627	26,283		26,283	7,656	-	7,656	383
EBWY	17,317	43	17,360	17,689	44	17,733	372	1	373	19
ESAC	15,629		15,629	15,678		15,678	49	-	49	2
LPARK	14,867		14,867	15,348		15,348	481	-	481	24
NNAT		292	292		23,985	23,985	-	23,693	23,693	1,185
NSAC	17,848		17,848	21,001		21,001	3,153	-	3,153	158
POCK	19,047		19,047	19,924		19,924	877	-	877	44
SNAT	14,413	1,005	15,418	15,217	1,998	17,215	804	993	1,797	90
SSAC	18,813	3,772	22,585	21,073	8,412	29,485	2,260	4,640	6,900	345
<b>TOTAL</b>	<b>152,505</b>	<b>5,112</b>	<b>157,617</b>	<b>171,726</b>	<b>35,039</b>	<b>206,765</b>	<b>19,221</b>	<b>29,927</b>	<b>49,148</b>	<b>2,457</b>

*Percent Infill versus New Growth*

**39%      61%**

Community Plan Areas

AIRM - Airport-Meadowview

ARDEN - Arden-Arcade

CENT - Central City

EBWY - East Broadway

ESAC - East Sacramento

LPARK - Land Park

NNAT - North Natomas

NSAC - North Sacramento

POCK - Pocket

SNAT - South Natomas

SSAC - South Sacramento

NG = New Growth Area

Source: SACOG

Attachment F

**CITY OF SACRAMENTO, VACANT LAND INVENTORY BY PARCEL SIZE**  
*(Excluding North Natomas)*

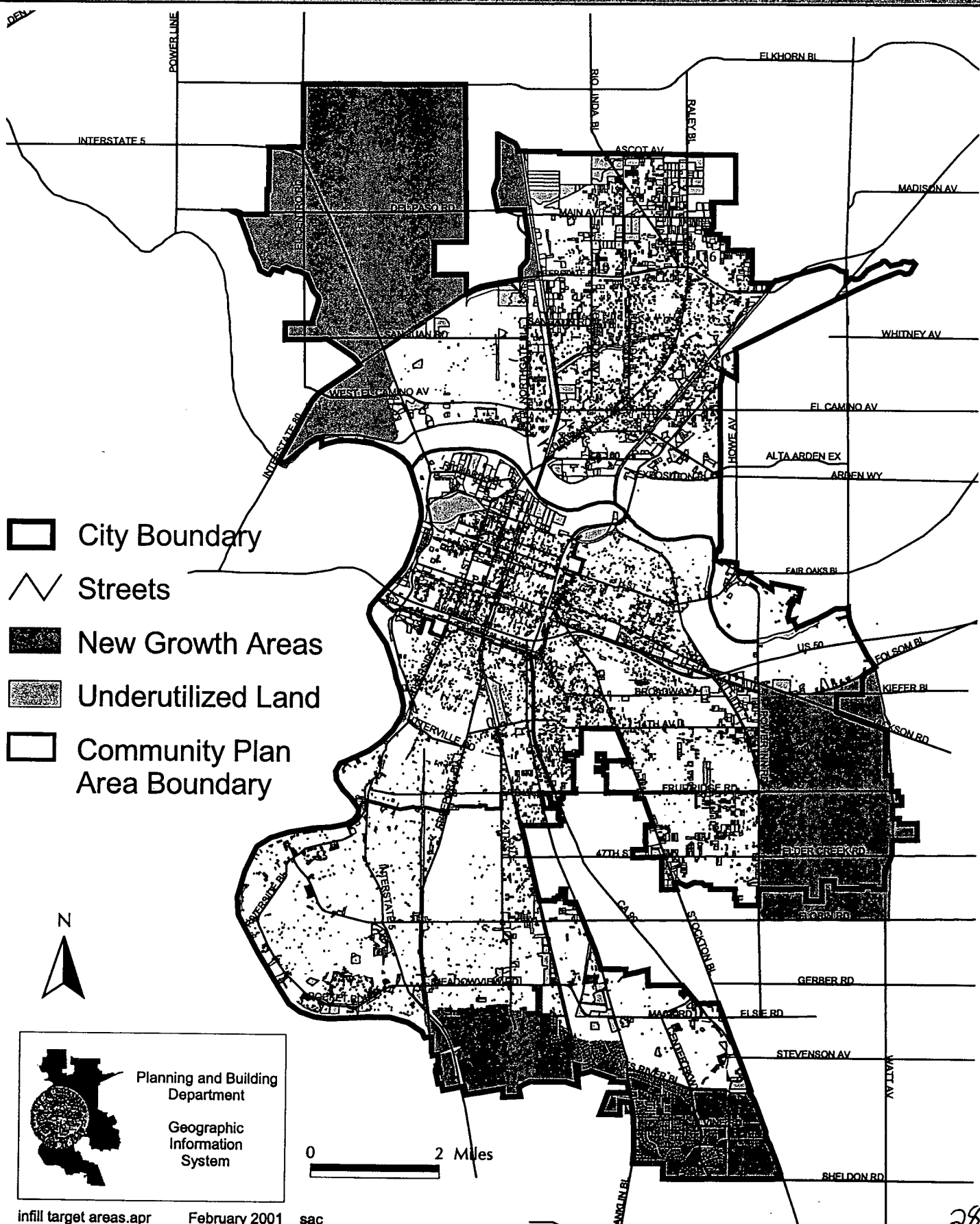
	Less than 10,000 sq.ft.	10,000<1 acre	1 acre<5 acre	5 acre+	TOTAL
	no. of parcels/acres	no. of parcels/acres	no. of parcels/acres	no. of parcels/acres	
Airport-Meadowview	260/37.04	93/44.4	29/78.44	44/1071.08	426/1230.97
Arden-Arcade	66/9.32	38/16.07	10/19.67	3/36.86	117/81.92
Central City	381/38.48	69/27.57	18/36.25	2/13.88	470/116.18
East Broadway	567/62.69	111/48.92	54/120.55	30/637.65	762/869.81
East Sacramento	57/7.41	13/6.88	8/15.57	4/97.54	82/127.4
Land Park	157/19.31	42/19.44	7/11.94	0/0	206/50.69
North Sacramento	943/127.52	521/264.18	226/513.79	53/814.06	1743/1719.55
Pocket	264/36.48	139/47.67	23/47.23	5/40.82	431/172.2
South Natomas	392/52.84	131/58.91	39/87.81	33/502.43	595/701.99
South Sacramento	433/57.11	131/73.35	165/406.28	66/690.23	795/1226.97
<b>CITYWIDE TOTAL</b>	<b>3520/449.17</b>	<b>1288/607.39</b>	<b>579/1337.53</b>	<b>240/3904.55</b>	<b>5309/6299.0</b>






Findings:

- \* Outside North Natomas, the city has a total of approximately 5,309 vacant parcels, totaling approximately 6,299.0 acres.
- \* Outside North Natomas, the city has approximately 3,520 parcels of less than 10,000 square feet, totaling 449.17 acres.
- \* Excluding North Natomas, the community plan area with the most vacant parcels less than 10,000 square feet is North Sacramento (943), followed by East Broadway (567).
- \* Land Park has no vacant parcels over 5 acres.


Source: City of Sacramento, Sacramento County Assessor's Office  
 September, 2000

# ATTACHMENT G City of Sacramento Underutilized Land



-  City Boundary
-  Streets
-  New Growth Areas
-  Underutilized Land
-  Community Plan Area Boundary





Planning and Building  
Department

Geographic  
Information  
System

0  2 Miles

## Attachment H

### ACRES OF UNDERUTILIZED\*\* LAND BY COMMUNITY PLAN AREA, CITY OF SACRAMENTO

UNDERUTILIZED LAND	COMMUNITY PLAN AREA											TOTAL
	AIRM	ARDEN	CENT	EBWY	ESAC	LPARK	NNAT	NSAC	POCK	SNAT	SSAC	
Single Family	335.40	49.3	36.90	299.40	226.20	196.80		942.80	324.10	415.30	474.70	3,300.90
Multi-Family	18.10	22.60	155.50	125.60	19.80	26.70	Not included in this category.	171.70	63.70	58.20	50.80	712.70
Agriculture	-	0.49	-	-	-	-		179.9	135.60	201.90	32.80	550.69
Commercial	83.90	172.60	418.90	143.60	135.60	73.00		171.50	40.70	339.40	208.20	1,787.40
Industrial	41.80	117.00	656.00	222.10	150.10	136.90		929.30	-	46.40	28.40	2,328.00
Other	-	-	16.30	1.06	5.10	10.80		250.10	10.10	108.40	8.30	410.16
<b>TOTAL</b>	<b>479.20</b>	<b>361.99</b>	<b>1,283.60</b>	<b>791.76</b>	<b>536.80</b>	<b>444.20</b>		<b>2,645.30</b>	<b>574.20</b>	<b>1,169.60</b>	<b>803.20</b>	<b>9,089.85</b>

Community Plan Areas (See Attachment E)

AIRM - Airport-Meadowview

ARDEN - Arden-Arcade

CENT - Central City

EBWY - East Broadway

ESAC - East Sacramento

LPARK - Land Park

NNAT - North Natomas

NSAC - North Sacramento

POCK - Pocket

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The following zones are included in the above designations:

Single Family: RE\*, R-1\*

Multi-Family: R-2\*, R-3\*, R-4\*, R-5\*, RMX\*, RO\*

Agriculture: A, A-PUD\*

Commercial: O\*, E\*, C\*, SC\*, HC\*, T\*

Industrial: M\*

Other: H, SPX\*, A-OS\*, F\*, ARP-F\*, H-SPD\*

Source: County Assessor's Office

City of Sacramento, Department of Planning & Building

\* Includes all variations.

\*\* Underutilized is defined as where land value exceeds structure value, based on Sacramento County Assessor's records (excludes publicly held property)



**Attachment J**

**FEE COMPARISON OF PER UNIT FEES**

*Assumes 100-unit project (except Central City = 16-unit project)*

Fees and Charges	North Natomas		Infill	
	SF	MF	Subdivision	Central City
<b>Planning Review Fees*</b>				
Environmental	\$38	\$14	\$38	\$88
Entitlements	\$68	\$30	\$60	\$188
Design Review			\$11	\$270
<b>Sub-Total</b>	<b>\$106</b>		<b>\$109</b>	<b>\$545</b>
<b>Final Map Review Fees</b>				
Final Map Fees	\$33		\$33	\$128
Tree Planting	\$110		\$110	\$113
Plan Check/Inspections	\$420		\$420	
Material Testing	\$78		\$78	
Streetlight Design	\$25		\$25	
<b>Sub-Total</b>	<b>\$666</b>	<b>\$0</b>	<b>\$666</b>	<b>\$241</b>
<b>Plan Review and Permit Fees</b>				
Building Permit Fee	\$996	\$266	\$996	\$727
Plan Review Fee	\$329	\$246	\$329	\$446
Technology Surcharge	\$53	\$20	\$53	\$53
Fire Review		\$33		\$9
Engineering Review		\$50		\$3
Landscape Review		\$1		\$125
Grading Review		\$3		\$6
<b>Sub-Total</b>	<b>\$1,378</b>	<b>\$619</b>	<b>\$1,378</b>	<b>\$1,369</b>
<b>Impact Fees and Taxes</b>				
Major Street Construction	\$711	\$282	\$711	\$716
Residential Development Fee	\$385	\$283	\$385	\$315
Water Development	\$1,906	\$476	\$1,906	
Sewer Development	\$473	\$355	\$124	\$78
Regional Sanitation	\$2,404	\$1,803	\$2,404	\$1,803
School Impact Fees	\$5,395	\$3,631	\$2,236	\$2,214
Park Impact Fee	\$1,259	\$761	\$1,259	\$761
Quimby Fee	\$1,490	\$880	\$745	\$9,803
North Natomas Fees	\$4,290	\$2,716		
Habitat Fee	\$412	\$16		
SAFCA CIEF Fee	\$111	\$46		
<b>Sub-Total</b>	<b>\$18,836</b>	<b>\$11,249</b>	<b>\$9,770</b>	<b>\$15,690</b>
<b>Other Charges</b>				
Tap Fees	\$1,900	\$58	\$1,900	\$2,300
Water Supply Test				\$6
Strong Motion Instrumentation Fee	\$9	\$4	\$9	\$19
Business Operations Tax	\$36	\$4	\$36	\$36
<b>Sub-Total</b>	<b>\$1,945</b>	<b>\$66</b>	<b>\$1,945</b>	<b>\$2,361</b>
<b>TOTAL</b>	<b>\$22,931</b>	<b>\$11,934</b>	<b>\$13,868</b>	<b>\$20,206</b>
Direct Infrastructure Improvements			\$5000-\$20,000	

