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DEPARTMENT OF
PLANNING AND DEVELOPMENT

CITY OF SACRAMENTO
CALIFORNIA

1231 I STREET
SACRAMENTO, CA

ADMINISTRATION
ROOM 300
95814-2987
916-449-5571

October 5, 1990

CITY MANAGER'S OFFICE

RECEIVED
OCT 11 1990

ECONOMIC DEVELOPMENT
ROOM 300
95814-2987
916-449-1223

City Council
Sacramento, California

Honorable Members in Session:

NUISANCE ABATEMENT
ROOM 301
95814-3982
916-449-5948

SUBJECT R Street Corridor Policies and Planning Principles

SUMMARY

The attached staff report contains a set of policies, planning principles, and a recommended conceptual Plan for R Street Corridor. The report also outlines the environmental requirements necessary to conduct environmental review on the selected R Street Corridor Plan. The major policy issue before the Council is how R Street Corridor should contribute to a dynamic Central City in a way that maximizes land use opportunities for living, recreation, and working. The report concludes with a set of recommendations that bring closure to the public hearing process, requests City Council direction to prepare a proposed land-use plan based on certain policies/principles and a plan alternative; and directs staff to return with an implementation work program.

BACKGROUND

On August 29, 1990 the first R Street Corridor (Corridor) workshop was held by the City Council (Council). At the conclusion of that workshop the Council directed staff to develop a list of policies and planning principles for the Corridor and to submit the policies and principles for use in the second workshop to be held on October 17, 1990.

While this identification of Corridor policies had been the charge of the R Street Task Force Committee, continuing controversy on how the Corridor should develop ultimately led to three proposals being submitted to the Council. In directing staff to prepare a list of policies and planning principles, it is the intent of Council to bring focus to the last two years of debate and controversy over what policies and principles should govern development along the Corridor.

The purpose of this report, then, is to focus the issue of how the Corridor will develop by recommending the adoption of policies, planning principles and a Proposed R Street Corridor Plan. The ultimate goal of these actions is to move away from ad hoc planning decisions on the Corridor to decisions based on cohesive planning principles and policies that reflect General Plan policies. By first identifying the policies and then translating these broad policies into more specific planning principles, the Council will have a standard by which it can evaluate the three development scenarios that have been proposed for the Corridor.

While the Council did not direct staff to come back with a proposed alternative for the Corridor, staff has included as Attachment C a Staff/SHRC alternative that takes the policies and planning principles and applies them to specific locations within the Corridor. This Staff/SHRC alternative is consistent with the previous staff recommendation presented in the May 31, 1990 staff report. For comparison, Attachment F of this report presents the range of planning features (i.e. land use mix, intensity, location, and housing strategy) contained in the three alternatives that have been submitted to Council.

All three of the R Street Corridor Plan alternatives are consistent with the policies and planning principles outlined below:

Policies -- (Attachment A)

The policies which have been selected to govern the overall development of the Corridor are based on adopted General Plan policies that promote quality of life, population and housing growth, promotion of the Central City's role as the region's commercial office, employment, and cultural center with close by housing, urban conservation and infill development, and balanced transportation systems.

Within each of these policies is a subset of more specific policies that are not listed here, but that do apply. In general, these more specific subset policies include a discussion of the City's commitment to air quality, transit, the CBD as the pre-eminent office district, the focus on infill housing efforts, the development of compatible mixed-use development, the need for residential neighborhoods that can provide housing options for those choosing to live near their employment, and the continuation of the Central City as a major employment center for both the public and private sector.

Planning Principles -- (Attachment B)

The planning principles which emerged from these policies translate the policies into a set of development guidelines

that, while broad, demonstrate how the policies may be applied to the Corridor.

The planning principles provide a concept of how development in the Corridor can be directed towards establishment of a series of distinct districts which range from the more intensive office districts to mixed-use and residential districts. The principles recommend height limits (intensity) for office development as well as number of units (density) for residential development. The principles refrain from designating specific geographic locations for the districts.

In general, the planning principles focus on broad types of land uses that will be allowed within the Corridor to achieve the policies. These land uses are: office intensive, high to low density residential, general commercial, and heavy commercial.

EIR CONSIDERATIONS --

In order to be able to conduct environmental review on the Proposed R Street Corridor Plan, the Plan must be translated into a project description that includes enough detail to meet the following requirements of CEQA: a) a map that shows the location of the project; b) a statement of objectives similar to the policies and planning principles; c) a description of the project including technical (land uses, zoning, development standards), economic, and environmental characteristics, the intended uses of the environmental document, and the approvals for which the environmental document will be used.

The most critical portion of the environmental document is likely to be the analysis of traffic impacts (and associated air quality issues). In order to develop this analysis, the specific use of parcels and the intensity of the use (square feet or du's/acre) must be known.

PROJECT DESCRIPTION -- STAFF/SHRC ALTERNATIVE (ATTACHMENT C)

In order to get to the level of detail necessary for an adequate CEQA project description, the next step in the R Street Corridor process must be the development of a project description that contains the detail required by CEQA. Exhibit C of this report takes the above listed planning principles one step further towards developing a proposed project description by specifying a Staff/SHRC alternative that identifies the location of a high intensity office district (150' heights) in the west end of the Corridor, a transition zone for height limits along Q and S Streets, four defined residential neighborhoods, and mixed use development adjacent to light rail stations. In addition the Staff/SHRC alternative recommends programs (tax increment financing and zoning changes) that can be applied to the Corridor to assist the type of development that will occur.

While this Staff/SHRC alternative begins to provide the detail necessary for the CEQA required project description, it is clear

that more work is required to map out specific block-by-block land uses, to establish development standards for those land uses, to identify circulation plans and capital improvements, and so on. This level of specificity was requested by the Council in defining the Advisory Committee's original charge (Attachment D).

The actions necessary to get to the level of detail required by CEQA are listed in the Recommendation Section of this report. In addition, Attachment E provides a flow chart of the steps in the process that will end with the adoption and implementation of a Final R Street Corridor Plan.

POLICY CONSIDERATIONS

During the first City Council discussions of this matter on August 29, virtually all discussion and attention focused on "technical matters" related to environmental processing and on whether or not existing project applications would continue to be processed.

While such concerns are important, it is also essential to recognize that development in the R Street Corridor involves more than physical and environmental consequences. In the staff's judgement, the R Street Corridor can and should contribute substantially to the evolution of the Central City as a dynamic place for living and recreation as well as for work. The housing and mixed-land use features of the various plan alternatives need to be evaluated in view of their contributions to the social and economic as well as physical/environmental characteristics of our Central City.

Attachment F illustrates the range of development features contained in the various alternatives that have been submitted to Council. This exhibit may help the Council compare the key features of each alternative against the full range that has been proposed in order to select an alternative acceptable to the Council.

MBE/WBE

MBE/WBE efforts do not apply to this report.

FINANCIAL

The report is intended to provide conceptual and planning principles for the Corridor. This report-back does not contain any financial data.

RECOMMENDATION

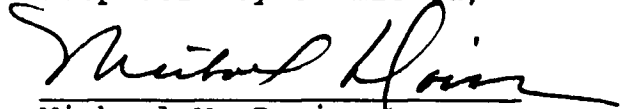
Staff recommends that the Council follow the process outlined below for the October 17, 1990 hearing:

1. Bring to closure the public hearing process by:

- a) hearing the staff presentation on R Street Corridor policies and planning principles as well as the R Street Corridor alternatives;
 - b) hearing the R Street Corridor Citizens' Advisory Committee presentation;
 - c) accepting public testimony;
2. Adopt in concept the R Street Corridor policies and planning principles for purposes of developing a project description;
 3. Select the R Street Corridor alternative referred to as the _____ alternative;
 4. Direct staff to report back in 90 days with an Implementation Plan that identifies: a schedule, a budget, and the work products that must be prepared to implement the R Street Corridor plan. These work products shall include identification of necessary planning documents such as plan amendments, ordinances, programs, and environmental review.

Robert Smith, Executive
Director, Sacramento Housing
and Redevelopment Agency

Respectfully submitted,



Michael M. Davis
Director
Department of Planning and
Development

RECOMMENDATION APPROVED:



Walter J. Slipe
City Manager

Contact Person:
Steve Peterson, Sr. Planner
(449-5381)

October 17, 1990
Districts 1 and 4

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

RESOLUTION ADOPTING THE R STREET CORRIDOR POLICIES AND PLANNING PRINCIPLES AND "PLAN" FOR A PROJECT DESCRIPTION

WHEREAS, the City Council has conducted a series of duly noticed workshop/hearings on R Street Corridor development,

WHEREAS, the R Street Corridor is defined as an area bounded by Q Street, S Street, 2nd Street and 29th Street,

WHEREAS, various R Street Corridor development alternatives have been submitted to, and reviewed by, the City Council,

WHEREAS, the City Council seeks to adopt conceptual policies and planning principles for the R Street Corridor that will contribute substantially to the evolution of the Central City as a dynamic place for living and recreation as well as for work,

WHEREAS, the City Council seeks to uphold existing, adopted General Plan policies and to reinforce those policies by a set of R Street Corridor planning principles,

NOW THEREFORE BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF SACRAMENTO:

Section 1. That the General Plan policies referenced in Attachment A of this resolution shall be included as conceptual policies for an R Street Corridor project description, and

Section 2. That the planning principles referenced in Attachment B of this resolution are hereby adopted as conceptual principles for purposes of an R Street Corridor project description, and

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

Section 3. That the proposed development alternative, known as the _____ alternative is hereby adopted in concept for purposes of an R Street Corridor project description, and

Section 4. That staff is directed to return within 90 days with an Implementation Work Plan for the _____ alternative.

MAYOR

ATTEST:

CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

ATTACHMENT A
R Street Corridor Policies

The following General Plan policies have been selected to govern the overall development of the R Street Corridor:

- o Quality of Life -- enhance and maintain the quality of life by adhering to high standards for project and plan evaluation which include air quality as a consideration in land use decision making and transportation planning (p. 1-30 G.P.)
- o Population and Housing Growth -- promote adequate quality housing opportunities for all income households and accommodate projected housing needs (p. 1-31 G.P.)
- o Downtown Sacramento -- encourage continued support of private and public efforts that promote the Central City's role as the region's commercial office, employment, and cultural center; and at the same time provide close-by housing within identifiable residential neighborhoods (p. 1-32 G.P.)
- o Urban Conservation and Infill Areas -- encourage the reuse and rehabilitation of existing urban development as a means to meet projected growth (p. 1-34 G.P.)
- o Transportation -- promote an efficient, safe, and balanced transportation system (p. 1-35 G.P.)

ATTACHMENT B
Planning Principles
R Street Corridor

1. Create distinct, stable, and integrated residential neighborhoods serving a range of income levels and populations to provide a choice of housing opportunities near downtown jobs.
2. Recognizing the CBD as the City's preeminent regional employment and high-rise office center, R Street should be developed at a scale and with a mix of uses to provide a transition zone between the high-density Central Business District and the adjacent low-density residential district.
3. Higher intensity mixed uses should be located near existing high intensity uses, and should step down to a scale compatible with less intensive uses to achieve the City's redevelopment and Capital Area Plan goals.
4. Use the four light rail stations to create discrete neighborhoods with a mix of compatible uses clustered around transit and linked by bicycle and pedestrian routes, developed with sufficient intensity to promote light rail ridership and air quality objectives.
5. Plan and guide all development to assure compatibility with preservation and enhancement of existing neighborhoods, through design guidelines, traffic controls, open space, support services and other neighborhood services and amenities.
6. Create an appropriate mix of residential and nonresidential uses within the Corridor with an emphasis on new housing to serve Central City employment growth and support a vibrant 18 hour downtown environment.
7. Provide mechanisms which will assure financial feasibility of higher density, urban housing (60 D.U.'s/acre) in the Corridor.

ATTACHMENT C
Planning Principles/(Staff/SHRC Alternative)

1. Create distinct, stable, and integrated residential neighborhoods serving a range of income levels and populations to provide a choice of housing opportunities near downtown jobs.
 - 1a. Designate well defined residential areas within each of the four neighborhoods (Southwest, Capital Area, Sacramento Bee, Farmers Market) at sufficient residential densities (60 units/acre) to create a critical mass of housing within the corridor.

[Comment: Consistent with staff/SHRC and CPC Plans]
2. Recognizing the CBD as the City's preeminent regional employment and high-rise office center, R Street should be developed at a scale and with a mix of uses to provide a transition zone between the high-density Central Business District and the adjacent low-density residential district.
 - 2a. Require phased development of individual office projects in tandem with housing projects in the area to assure mixed use development.

[Comment: Consistent with staff/SHRC and CPC Plans]
3. Higher intensity mixed uses should be located near existing high intensity uses, and should step down to a scale compatible with less intensive uses to achieve the City's redevelopment and Capital Area Plan goals.
 - 3a. Consider mixed use development up to 150 foot heights within a limited "intensive area" in the Southwest neighborhood, subject to compliance with building intensity standards that ensure compatibility with adjacent uses.

[Comment: Consistent with staff/SHRC Plan]
4. Use the four light rail stations to create discrete neighborhoods with a mix of compatible uses clustered around transit and linked by bicycle and pedestrian routes, developed with sufficient intensity to promote light rail ridership and air quality objectives.
 - 4a. Encourage mixed use commercial/residential development adjacent to each of the light rail stations up to 75 foot heights, subject to compliance with setbacks and other

building intensity standards, to ensure compatible design and scale with adjacent uses.

[Comment: Consistent with staff/SHRC Plan]

5. Plan and guide all development to assure compatibility with preservation and enhancement of existing neighborhoods, through design guidelines, traffic controls, open space, support services and other neighborhood services and amenities.

- 5a. Establish transition zones for height limits, setbacks and other requirements along the edges of the Corridor (Q Street/S Street) to assure compatibility between new development and existing uses.

[Comment: Consistent with Committee, staff/SHRC and CPC Plans]

6. Create an appropriate mix of residential and nonresidential uses within the Corridor with an emphasis on new housing to serve Central City employment growth and support a vibrant 18 hour downtown environment.

- 6a. Designate at least 50% of the land to be developed within the R Street Corridor for residential use to improve the existing Central City jobs-to-housing ratio (8%).

[Comment: Consistent with staff/SHRC and CPC Plans]

7. Provide mechanisms which will assure financial feasibility of higher density, urban housing (60 D.U.'s/acre) in the Corridor.

- 7a. Reinvest the tax increment financing generated within the Redevelopment project area (Southwest Neighborhood) to improve the economic feasibility of housing within the Corridor.

[Comment: Consistent with staff/SHRC and CPC Plans]

- 7b. Discourage land speculation for commercial use through rezoning obsolete warehouse zones for primarily residential use.

[Comment: consistent with staff/SHRC and CPC Plans]

- 7c. Require a significant housing component for mixed-use development up to 150 foot heights. (50% or 27 units/100,000 s.f. added office space.

[Comment: Consistent with staff/SHRC Plans]

ATTACHMENT D
R Street Corridor City Council Direction To
Advisory Committee from Adopted Documents

The following charge or direction was approved by the Council for the R Street Advisory Committee:

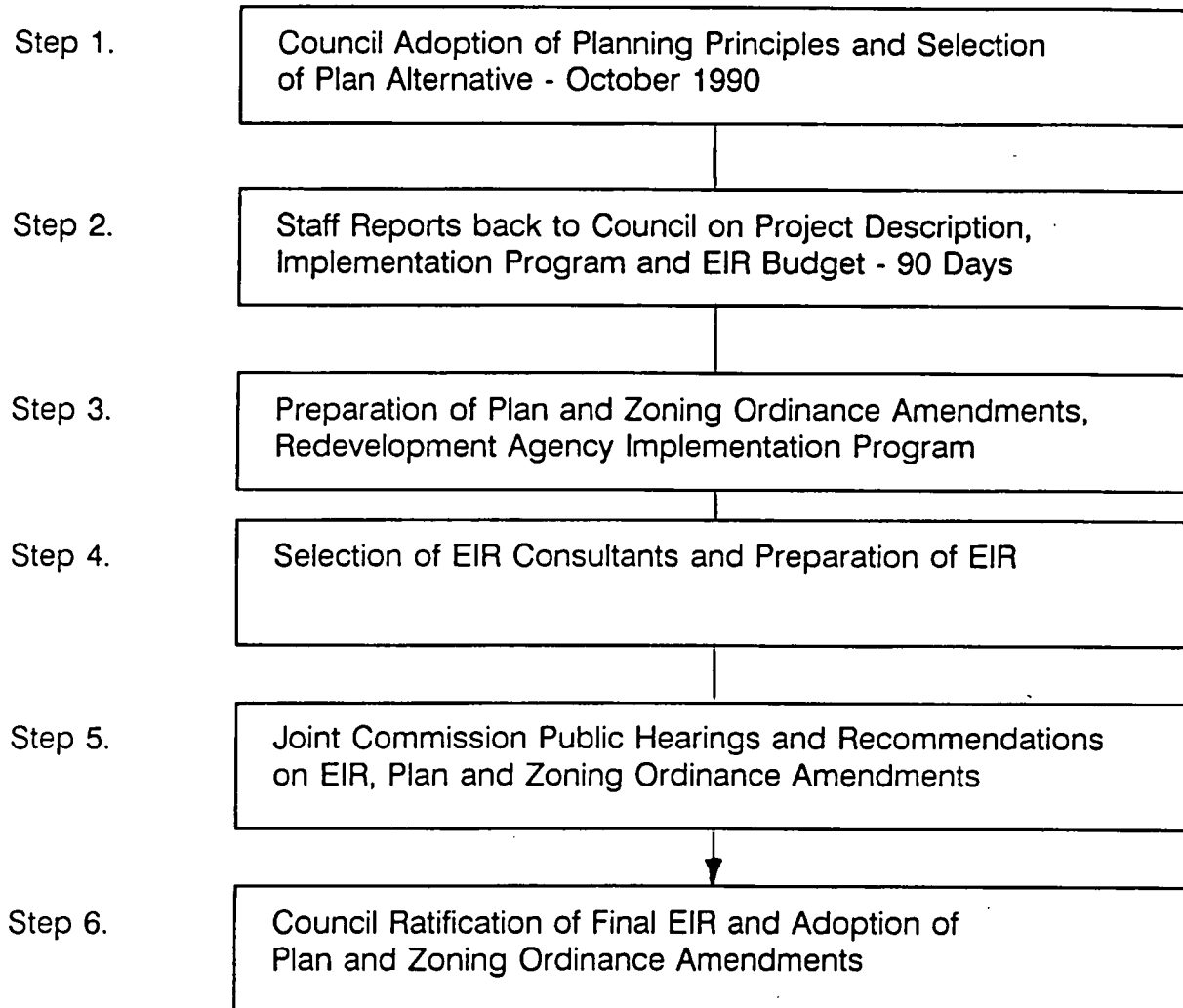
On August 2, 1988 the City Council's Personnel and Public Employees Committee approved the following Committee charge:

CHARGE:

1. To act as a general advisory group to advise the City Planning Department; the City Planning Commission; the Design Review and Preservation Board; the Sacramento Housing and Redevelopment Commission; and the City Council in the formulation of action plans for the R Street corridor special study area based on adopted policies.
2. To provide input on appropriate land use.
3. To provide input appropriate mixture of uses and types necessary for balance and support for the corridor and surrounding areas.
4. To provide input on appropriate residential densities and non-residential intensities based upon holding capacities for transportation, water, sewer, schools and other infrastructures.
5. To provide input on housing needs in relationship to other recommended and adopted uses in the corridor and surrounding area, and to advise on financing methods to provide such housing. Included in this charge is advice on method(s) to help retain property values in the area to accommodate housing needs.
6. To provide input in methods to encourage and finance rehabilitation of existing developments.
7. To provide input in the selection of such consultants as may be needed in the performance of the study.
8. To provide the appropriate hearing bodies with an interim report in time for the status report of the study to the City Council in approximately 6 months. A final report is to be submitted in not more than 12 months.

ATTACHMENT E

FLOW CHART OF "R" STREET CORRIDOR PLAN IMPLEMENTATION



ATTACHMENT F

RANGE OF R STREET CORRIDOR POLICY ALTERNATIVES

	<i>Low Intensity</i>	→	→	→	→	→	<i>High Intensity</i>
<u>LAND USE MIX</u>							
Non-Residential (% Total Acres)	33%						82%
Residential (% Total Acres)	67%						18%
Housing Units-to-Jobs Ratio	64%						4-8%
<u>INTENSITY STANDARDS</u>							
Max. Height West of 10th Street	100 ft.						150 ft.
Max. Height East of 10th Street	45 ft.						150 ft.
Residential Mixed Use Provisions	80% residential/ 20% Commercial 60+ units/acre						No mix required 60+ units/acre
<u>LOCATION CRITERIA</u>							
Intensive Office	West end only						West and east end, light rail stations
Residential Mixed-Use	Concentrate 4 neighborhoods around Light Rail Stations						Target residential throughout Corridor
<u>HOUSING STRATEGY</u>							
Housing Requirement for Office Projects	50% project square footage						27 units/100,000 sq.ft.
Redevelopment Project Area	West of 10th Street						Entire Corridor
Zoning Controls	Rezone Residential/ Mixed Use						No residential zoning

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

"R" STREET CORRIDOR - REDEVELOPMENT PROJECT AREA

PROJECTED INTERNAL RATES OF RETURN FOR ALTERNATIVE PROJECTS

ASSUMES ABOVE-GROUND PARKING

OFFICE RENT \$1.50 PER SQ. FT.; APARTMENT RENT \$0.80 PER SQ. FT.

(October 1990)

<u>Building Configuration</u>	<u>Building Height</u>		
	<u>75 Feet</u>	<u>100 Feet</u>	<u>150 Feet</u>
Office Building Only	12.0%	13.2%	14.5%
Office Building With Housing On-site	10.7%	11.7%	12.8%
Office Building With Housing Off-site	9.8%	10.6%	11.5%
Office Building With Land for Housing			
Housing Land @ \$20/SF	10.7%	11.7%	12.8%
Housing Land @ \$40/SF	9.8%	10.6%	11.6%

NOTE: Apartment rent shown is equal to \$720 per month for a 900 square foot apartment.

Source: Mundie & Associates;
building prototypes by Freedman Tung & Bottemley

F:\ksn\jim\altproj

CHARGE OF THE "R" STREET ADVISORY COMMITTEE

RECOMMENDATIONS REGARDING:

1

Land-Use

2

Residential Density

3

Non-Residential Intensity

4

Financing Strategies/
Residential Property Values

5

Methods to Encourage/
Finance Rehabilitation

FLOW CHART OF "R" STREET CORRIDOR PLAN IMPLEMENTATION

STEP 1

Council Adoption of Planning Principles and Selection of Plan Alternative - October 1990

STEP 2

Staff reports back to Council on Project Description, Implementation Program and EIR Budget - 90 Days

STEP 3

Preparation of Plan and Zoning Ordinance Amendments, Redevelopment Agency Implementation Program

STEP 4

Selection of EIR Consultants and Preparation of EIR

STEP 5

Joint Commission Public Hearings and Recommendations on EIR, Plan and Zoning Ordinance Amendments

STEP 6

Council Ratification of Final EIR and Adoption of Plan and Zoning Ordinance Amendments

RANGE OF "R" STREET CORRIDOR POLICY ALTERNATIVES

LOW INTENSITY



HIGH INTENSITY

LAND USE MIX

Non - Residential (% Total Acres)	33%	82%
Residential (% Total Acres)	67%	18%
Housing Units - to - Jobs Ratio	64%	4 - 8%

INTENSITY STANDARDS

Max. Height West of 10th Street	100 ft.	150 ft.
Max. Height East of 10th Street	45 ft.	150 ft.
Residential Mixed Use Provisions	80% Residential 20% Commercial 60+ Units/Acre	No mix required 60+ Units/Acre

LOCATION CRITERIA

Intensive Office	West end only	West and East end, Light Rail Stations
Residential Mixed - Use	Concentrate 4 neighborhoods around Light Rail Stations	Target residential throughout Corridor

HOUSING STRATEGY

Housing Requirement for Office Projects	50% project square footage	27 Units/100,000 sq. ft.
Redevelopment Project Area	West of 10th Street	Entire Corridor
Zoning Controls	Rezone Residential/Mixed Use	No residential zoning

PLAN ALTERNATIVE DIFFERENCES AS APPROVED BY THE COMMISSIONS

REDEVELOPMENT

PLANNING

LAND USE MIX

Non-Residential (% Total Acres)	40%	34%
Residential (% Total Acres)	60%	66%
Office Housing Requirement	27 Units/100,000 sq. ft.; off-site housing permitted	50% project sq. ft.

INTENSITY STANDARDS

Max Height West of 10th Street	150 ft.	100 ft.
Max Height East of 10th Street	75 ft.	*45 ft.

LOCATION CRITERIA

Intensive Office	Same	Same
General Commercial	Concentrate more on West end	Concentrate less on West end
Residential Mixed Use	Concentrate less on West end	Concentrate more on West end

HOUSING STRATEGY

Housing Trust Fund Fee Waiver	No	Yes
Zoning	Retain C-4 (Residential-Mixed Use Overlay Zone)	Eliminate C-4 (Rezone Residential-Mixed Use)
Redevelopment Project Area	Limit West of 10th Street	Entire Corridor (City only project area)

*16th Street site 75 ft height

HIGHLIGHTS OF THE "NEW TOWN IN THE OLD CITY" PLAN PROPOSED BY MEMBERS OF THE "R" STREET CITIZENS ADVISORY COMMITTEE

Who is proposing the plan?

The "new town" plan was proposed by four of the nine members of the "R" Street Corridor Citizens Advisory Committee after extensive community involvement, including two neighborhood workshops and months of committee meetings. Major supporters include the Sacramento Old City Association, the Environmental Council of Sacramento, the Sacramento Housing Alliance, and leaders of the Southside, Capitol Area, East Sacramento, Oak Park, and Midtown neighborhoods.

One reason for the broad support is the growing awareness throughout the community of the need to reaffirm the City's commitment to planned, orderly development. Residents are demanding a level playing field and an assurance that promises made to the community will be kept. There is a widespread perception that the City has been unwilling to abide by agreements for neighborhood protection and sound environmental planning in approving new development.

In particular, the City has a ten-year history of policy - in the 1980 Central City Plan, the 1984 Sanger Plan, the 1986 Redevelopment Plan, and the 1987 General Plan - to develop the "R" Street Corridor as a predominantly residential mixed-use area. In return for these and other assurances, community leaders have accepted the concentration of large office and commercial buildings in the central business district, despite the resulting traffic, noise, and other environmental problems. To forge consensus, build trust, and foster good planning, promises made must be promises kept.

What we are trying to achieve:

Our goals are simple: help solve regional traffic, air pollution, and housing problems; reinforce downtown revitalization; and protect existing residential neighborhoods from the impacts of over-development. To achieve these goals, our plan has several objectives.

Regional Objectives:

- A close-in residential neighborhood to provide housing for new downtown jobs, avoiding long commutes, air pollution, and traffic congestion.
- Higher-density housing built along light rail, so that we increase use of transit, provide opportunities for reverse commutes, and maximize the investment in rail.

Community Objectives:

- A balance of office, retail, and housing along "R" Street, so that residents have services and "R" Street doesn't become a "dead zone" after 5:00 and on weekends.
- Development compatible with the existing 2 and 3 story residential neighborhoods on both sides of the corridor, so that homes aren't overshadowed by big boxy offices.
- A cap on total buildout, so that air pollution, noise, traffic, and parking don't overwhelm the neighborhoods.
- An attractive environment that will encourage families with children to move into the Central City and stay.

Economic Objectives:

- An end to land speculation, so that older homes and warehouses aren't bought to be torn down and replaced with offices, while in the meantime, the buildings decline and create a blighted neighborhood.
- Concentrating high-rise development in the downtown core (K Street and Capital Mall) to reinforce cultural and retail activities, rather than allowing "R" Street to become an office area in direct competition with the central business district.
- Preserving existing property rights to develop, without granting a significant upzone to major office uses which will reinforce the tendency to ignore plans and break zoning protections.
- Add certainty to the planning process by reaffirming the City's commitment to develop "R" Street as a primarily residential mixed-use community, while large-scale office and commercial development proceeds in areas already planned for these uses, such as the Central Business District and the State Capitol Area.

What our plan will do:

1. Allow property owners to build new developments that conform to existing zoning, but limit rights to upzone property to mid-rise or high-rise office.
2. Encourage most of the land in the corridor to be developed at higher levels of intensity, if the new development is 80% housing and up to 20% commercial (to provide for shops, services, and small office uses).

3. Limit heights and densities to three or four stories in most areas, so that the overall scale of development is compatible with existing homes and businesses.
4. Provide for some office uses where the land use is most appropriate, such as adjacent to freeways, along busy arterial streets, and near existing office buildings.
5. Establish design standards, setbacks, and other controls so that new development fits in with existing buildings.
6. Tighten up conditions on the demolition of historic buildings, to encourage their preservation and reuse.
7. Implement neighborhood traffic and parking programs to protect homes and families from speeding, noise, air pollution, and parking overflow.
8. Concentrate a "mixed use" area north of "R" Street between 3rd and 8th Streets. To encourage more creative development, larger projects up to 100 feet in height incorporating a mix of office and housing uses would be allowed, with design guidelines to assure the projects are compatible both with nearby housing and offices.

What our plan will not do:

1. **Our plan will not cause the State to abandon downtown.** Most of the backlog of agency consolidations have been accomplished. While the state may continue to move some operations out of the core for program reasons, such as back-office clerical operations and functions that do not require proximity to the Capitol and other state agencies, the state is also planning several new state buildings on its own property, and is expected to begin a more aggressive construction program under the new Administration because of the significant cost savings.
2. **Our plan will not bankrupt the Redevelopment Agency.** By allowing major office developments to go in, then requiring the Agency to buy office-value land for housing, the other proposals would greatly raise the cost to carry out the housing program. Our plan relies instead on a land use and market strategy, with the Agency in a more limited role as a catalyst and partner, not a deep pocket to bail out property speculators.
3. **Our plan will not delay the development of new housing.** Instead of allowing large high-rise office buildings in the redevelopment area in return for token housing projects, the Agency can play a more useful role by allocating some funds from the upcoming Tax Allocation Bonds to support one or more catalyst condominium projects in the redevelopment area to test the market.

APPENDIX B

ADOPTED CITY POLICIES FOR "R" STREET

The City's currently adopted policies in the General Plan, the Redevelopment Plan, and the Central City Plan call for the redevelopment of the "R" Street Corridor as a residential neighborhood with a mix of some commercial and office uses. Existing policies also call for the restriction of major office uses to the Central Business District, in order to protect residential neighborhoods and reinforce the viability of the City's commercial core.

The Committee's charge is to develop a recommendations based on these plans:

Merged Downtown Redevelopment Plan and Implementation Strategy

This plan designates the Southwest Neighborhood (I-5 to 10th, Q to S) as an area whose primary role is "to provide an additional resource for potential new housing development in the downtown area". The Plan goes on to state:

"Ultimately, the best use for this area is seen to be for a mix of residential and neighborhood-serving commercial....The Southwest Neighborhood would essentially represent an extension of previous residential development north of Q Street....Ultimately it is proposed to develop 1,000 or more units in this district....This district is proposed to be rezoned to R-4, with an overlay permitting neighborhood serving commercial."

This language indicates that higher-density uses are to predeominate in the area, in a fashion similar to nearby projects such as Capitol Towers and Governor's Square.

1987 Sacramento General Plan Update

The General Plan identifies the entire corridor (I-5 to Alhambra, Q to S Streets) as an "area of opportunity for reuse." The General Plan goes on to state that "R" Street should be planned predominately for high-density residential uses:

"High Density Residential

This designation refers to areas planned for development that consists of a mixture of residential densities along with limited commercial or office use. The density range for this residential category is from 30 to 156 units per net acre. This type of development is most commonly found within the Central City....Although this designation indicates

predominantly residential uses other uses may be allowed as indicated in community plans. An example of an area appropriate for this type of mixed residential and commercial office development would be "R" Street within the Central City." (SGPU, Section 2-9, emphasis added.)

The language in the General Plan referring to limited commercial use and predominantly residential use, and the reference to "R" Street as an area "appropriate for this type" of mixed use clearly establishes a policy to plan "R" Street as a high-density residentially-oriented neighborhood, with a majority of the square footage of new development devoted to housing rather than office or commercial uses.

Central City Community Plan

This plan, adopted in 1980, included provisions to redesignate the area from 2nd to 9th, Q to S Streets to encourage housing:

"Residential uses are not allowed in the C-4 zone due to the nature of activities that this zone allows. The Plan, however, envisions a continuing lessening of demand for heavy commercial land in the Central City while the demand for residential sites continues to increase....The possibility of this opportunity is greatest in the area bounded by 2nd, 9th, Q and S Streets. This area is adjacent to a highly successful area of residential development; to the State Capitol area; and within walking distance of the CBD. The area is also within a redevelopment plan whereby the Agency can assist the owners in developing residential uses." (1980 Central City Plan, pp. 21-23.)

In response, the Redevelopment Plan was amended in 1980 to permit residential uses in this area. In concert with later policies in the General Plan and the updated Redevelopment Plan, it is clear there is at least a ten-year history of consistent City policy to plan and guide development of the corridor in the direction of a predominantly residential mixed-use area, in order to meet larger policy goals for the redevelopment agency, the central city, and the city as a whole.

MEMORANDUM

TO: Mayor Rudin and Honorable Members of the Sacramento City Council

FROM: Andrea Rosen, Member , Sacramento City Planning Commission

DATE: October 17, 1990

RE: Your Consideration of R Street Corridor City Planning Recommendations



As you continue your complex and highly charged deliberations on the land use planning policies that will be most beneficial for the future of Sacramento from a community-wide standpoint, I ask for your serious in-depth consideration of the work that has been already been done for your benefit by your land use planning advisory group- The City Planning Commission. Please give us the opportunity to explain what we did in our recommendations and why; how we balanced the competing interests - the landowner/developers, the Redevelopment Commission, the neighborhood groups, housing advocates and transit advocates- to reach a truly broad-based and far-reaching compromise position. We believe that the interrelated set of recommendations we presented to you after our July 5th decision best meets a balanced approach among Sacramento's various public policy goals that come into play in this set of land use planning policies. We have diligently tried to recommend a plan that reflects the vision and foresight needed for future oriented planning for Sacramento as we attempt to make the best use of the rarely found opportunity presented by R Street as a warehouse corridor in transition. We have a chance to determine today what its future uses will be. Your decision will have long term consequences; some of which will be virtually irreversible in the foreseeable future. We have very specific reasons for departing from the Staff's recommendations and now must represent ourselves to you.

FIRST AND FOREMOST THE CITY PLANNING COMMISSION RECOMMENDATION REPRESENTS A TRUE COMPROMISE AMONGST THE COMPETING AND CONFLICTING INTEREST GROUPS

We have listened in great detail and for many, many hours to each and every individual and group wishing to be heard on the R Street land use plan; in many cases, we have heard them many times over. Every group- from developer to housing advocate- has had ample opportunity to be heard by us. We have spent personal time meeting with developers and community group listening to their specific, understandably narrow, concerns. We have been asked to make a judgment about what is ultimately best for the future of Sacramento given competing interests and competing public policy goals. Contrary to the incorrect assertions by City Staff, we have not adopted anyone else's plan.

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Memo to City Council
October 17, 1990

We have modified the staff's report and I have attached a copy of a document you received earlier which outlines those differences.

We have done what we thought the City Council wanted us to do: balance the competing interests; look at the City's various public policy goals that bear on R Street and come up with a compromise that meets the City's needs (as opposed to individual interest groups). For example, we have not zoned the entire corridor for residential even though all agree that the Central City jobs-to- housing balance is imbalanced due to the desperate lack of housing, including market-rate housing. Conversely, we have not adopted building heights in the southwest intensive zone that are above the EXISTING ADJACENT OFFICE BUILDINGS which are no higher than 100 feet because there was absolutely no planning basis for recommending incompatible heights. The Staff position does not represent a compromise because it is woefully inadequate in meeting to City Council's goal for increased market rate housing near the downtown employment center and as a support to the downtown entertainment and cultural district plan and increased retail.

THE CITY PLANNING COMMISSION HAS RELIED ON THE MOST FUNDAMENTAL LAND USE PLANNING TOOL - ZONING - IN ACHIEVING CITY OBJECTIVES IN THE R STREET CORRIDOR

You will hear many predictions and speculations about what the market will and won't produce in the R Street corridor over the next ten to twenty years. In spite of the range of those predictions, all parties in the public hearing agreed that zoning is the single most important determinant of economic feasibility when it comes to potential land uses. What the City Council does today will determine what the future land uses will be based on how the land is zoned. This is very basic. You can use your zoning powers to achieve uses that will meet the City's needs in balancing air quality, proper office/housing ratios, transit goals and neighborhood preservation goals. You determine the market by zoning; the market does not dictate zoning. We believe that this is a critical point in time for a clear policy direction to be established for this transitional area.

The City Planning Commission recommendations balance the need for support office in the context of overall downtown office development-current and projected and the need for market rate housing to improve air quality , stablize fragile adjacent neighborhoods and support the downtown growth. As your land use planning advisory body, I invite you to review the ATTACHMENT C as revised to implement the City Planning Commission recommendations with me to hear the policy rationales behind each recommendation.

October 17, 1990

ATTACHMENT C
Planning principles (Staff/SHRC Alternative)
As revised to implement City Planning Commission Recommendations

1. Create distinct, stable and integrated residential neighborhoods serving a range of income levels and populations to provide a choice of housing opportunities near downtown jobs.

1a. Designate well defined residential areas within each of the four neighborhoods (Southwest, Capital Area, Sacramento Bee and Farmers Market) as proposed on the land use map recommended by the City Planning Commission at sufficient residential densities (60/units per acre) to create a critical mass of housing within the corridor.

2. Recognizing the CBD as the City's preeminent regional employment and high-rise office center , R Street should be developed at a scale and with a mix of uses to provide a transition zone between the high-density Central Business District and the adjacent low-density residential district.

2a. Require phased development of individual office projects in tandem with housing projects to assure mixed use development.

2b. Limit the scale of new development to the intensities recommended by the City Planning Commission.

3. Higher intensity mixed uses should be located near existing high intensity uses and should step down to a scale compatible with less intensive uses to achieve the City's redevelopment and Capital Area Plan goals.

3a. Establish mixed use development by requiring a minimum of 50% housing square footage in buildings up to 100 foot heights within a limited " Intensive Area" in the Southwest neighborhood, subject to compliance with building intensity standards that ensure compatibility with adjacent uses.

3b. Limit heights on 16th Street adjacent to Benvenuti Plaza to 75 feet and limit heights elsewhere in the Corridor to 45 feet subject to compliance with compatibility standards.

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Planning Principles/Attachment C

As revised to implement City Planning Commission Recommendations

4. Use the four light rail stations to create discrete neighborhoods with a mix of compatible uses clustered around transit and linked by bicycle and pedestrian routes , developed with sufficient intensity to promote light rail ridership and air quality objectives while preserving neighborhood integrity.

4a. Encourage mixed use residential/commercial development adjacent to each of light rail stations, subject to compliance with setbacks and other building intensity standards, to ensure compatible design and scale with adjacent uses.

4b. Establish the following use and intensity guidelines at each station on the land use map as recommended by the City Planning Commission:

1. General Commercial: 100 % office, 45 foot height limit adjacent to 23rd and 29th Street stations.

2. Mixed Use- 50% office and 50% residential, 75 foot height limit fronting on 16th St. between Q and S Streets adjacent to the 16th St. Station

3. Residential/Mixed Use- 80% residential, 20% ground floor neighborhood commercial adjacent to the 13th Street Station

5. Plan and guide all development to assure compatibility with preservation and enhancement of existing neighborhoods through design guidelines, traffic controls, open space, support services and other neighborhood services and amenities.

5a. Establish transition zones for height limits, setbacks and other requirements along the edges of the Corridor (Q Street/ S Street) to assure compatibility between new development and existing uses as recommended by the City Planning Commission.

6. Create an appropriate mix of residential and nonresidential uses within the Corridor with an emphasis on new housing to serve Central City employment growth and support a vibrant 18 hour downtown environment.

6a. Designate at least 50% project square footage to be developed within the Intensive Zone in the R Street Corridor for residential use to improve the existing Central City jobs-to-housing ratio (8%).

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Page Three

Attachment C/Planning Principles

As Revised to Implement City Planning Commission Recommendations

6b. Establish a Residential/Mixed Use Zone as proposed on the land use map recommended by the City Planning Commission and designate at least 80% of the project square footage for residential use and up to 20% for ground floor neighborhood serving commercial use.

7. Provide mechanisms which will assure financial feasibility of higher density, urban housing (60/du/acre) in the Corridor.

7a. Reinvest all of the tax increment financing generated within the Redevelopment project area (Southwest neighborhood) to improve the economic feasibility of housing and neighborhood commercial within the Corridor.

7b. Discourage land speculation for commercial use through rezoning obsolete warehouse zones for primarily residential use and through creation and enforcement of a 50% housing/ 50% office Intensive Zone and the Residential Mixed Use Zone described earlier.

7c. Designate a higher proportion of tax increment funds generated within the Merged Downtown Redevelopment Area to support housing development, and target catalyst housing sites on the R Street Corridor to receive SHRA housing project assistance in the near term to stimulate development of a private housing construction market on the Corridor.

EXHIBIT 1

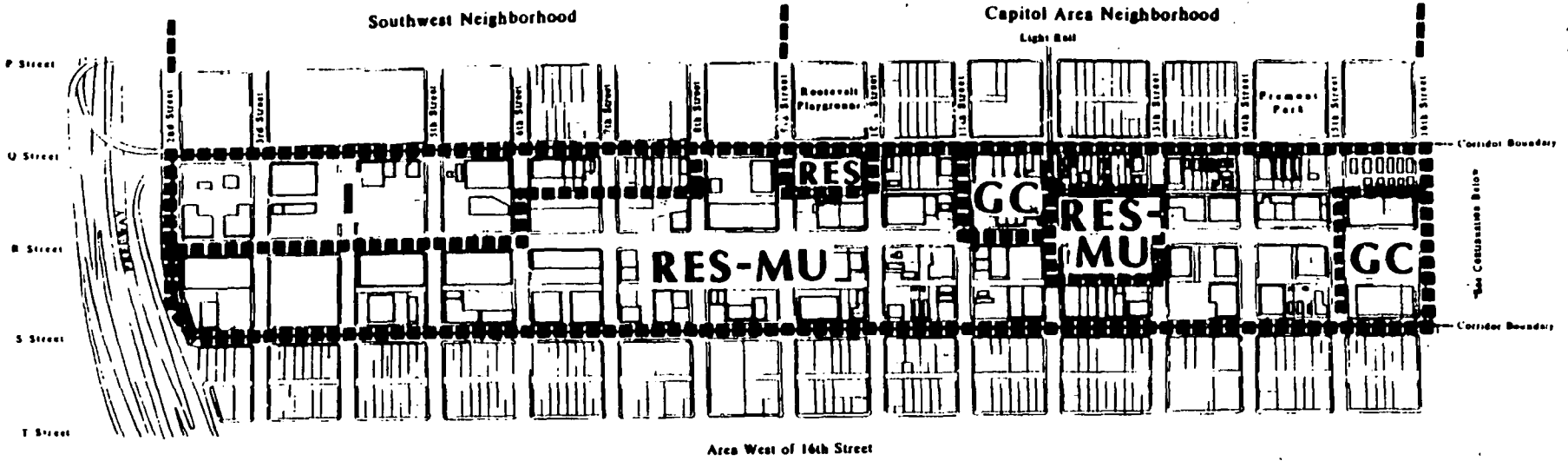
SYNOPSIS OF 7-5-90 CITY PLANNING COMMISSION ACTION ON "R" STREET CORRIDOR

On July 5, 1990 the Sacramento City Planning Commission recommended approval of the staff recommendations (dated May 31, 1990) for the "R" Street Corridor with the following changes (see Exhibit 1A for Land Use Designations):

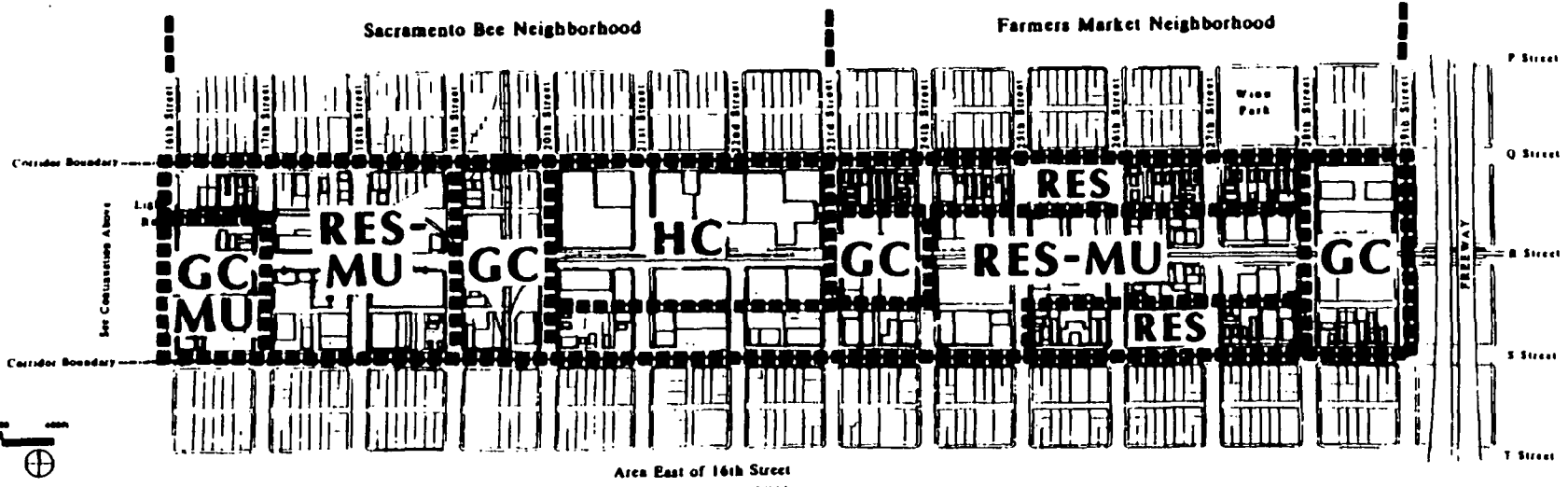
1. I or Intensive Area development standards:
 - a. Maximum height of 100 feet.
 - b. Land use mix for each project is 50% residential and 50% office and commercial (may include separate buildings).
 - c. Waive housing trust fund requirement.
2. GC or General Commercial development standards:
 - a. 45' maximum height
 - b. 100% office permitted
3. GC-MU or General Commercial-Mixed Use development standards
(Bounded by 16th to 17th Streets from the alley south of Q Street to S Street):
 - a. 75' maximum height;
 - b. Land use mix for the GC-MU area is 50% residential and 50% office and commercial;
 - c. Ground floor retail required along 16th Street;
 - d. Waive housing trust fund requirement.
4. HC or Heavy Commercial development standards:
 - a. Maximum 45' height
 - b. Heavy Commercial uses (C-4) permitted.
5. Redesignate GC site between 12th -13th Street on each side of R Street for RES-MU (Residential Mixed Use).
6. Rezone all area identified as Residential-Mixed use for a mix of 20% local serving office or commercial and 80% residential uses (eliminate existing C-4 zoning).

7. Investigate the designation of a park site between 18th and 19th Streets and other open space and park recommendations for meeting the "R" Street Corridor open space needs.
8. Consider expansion of the redevelopment boundaries east from 9th and 10th Street to 29th Street as a City only tax increment Redevelopment Area.
9. Direct the Sacramento Housing and Redevelopment Agency to increase amount the tax increment financing derived from the Central Business District to housing in the corridor.
10. Require commercial projects in excess of 75,000 square feet to contribute a pro-rata share of the transit extension and improvement costs per Regional Transit's letter of July 3, 1990.

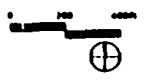
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Area West of 16th Street



Area East of 16th Street



SACRAMENTO
'R' STREET CORRIDOR
Revised Land Use
 Planning Commission
 Recommendation



-INTENSIVE
 50% OFFICE/50% RESIDENTIAL
 100' MAX HEIGHT



-GENERAL COMMERCIAL
 100% OFFICE
 45' MAX HEIGHT



-HEAVY COMMERCIAL
 C-4 USES
 45' MAX HEIGHT



-RESIDENTIAL MIXED-USE
 80% RESIDENTIAL/60 UNITS/ACRE
 (20% COMMERCIAL)



-RESIDENTIAL
 (R-3A)- 29 UNITS/ACRE.



-GC-MU
 50% OFFICE/50% RESIDENTIAL
 75' MAX HEIGHT (16TH ST. COMMERCIAL)