



**SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY**



7

April 2, 1991

Transportation/Community Development
and Budget & Finance Committee
Sacramento, CA

Honorable Members in Session:

SUBJECT: Del Paso Heights Revitalization Strategy Update

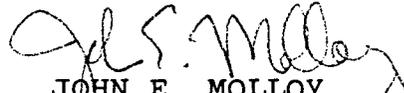
SUMMARY

The attached report is submitted to you for review and recommendation prior to consideration by the Redevelopment Agency of the City of Sacramento.

RECOMMENDATION

The staff recommends approval of the attached resolution approving the strategy.

Respectfully submitted,


JOHN E. MOLLOY
Deputy Executive Director

TRANSMITTAL TO COMMITTEE:



JACK R. CRIST
Deputy City Manager

Attachment



SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY



April 9, 1991

Redevelopment Agency of the
City of Sacramento
Sacramento, California

Honorable Members in Session:

SUBJECT: Del Paso Heights Revitalization Strategy Update.

SUMMARY

The attached resolution: 1) approves the Del Paso Heights Revitalization Strategy Update along with the twenty year extension of the Project Area, and 2) directs the Executive Director to implement the projects outlined in the Strategy Update.

BACKGROUND

The Del Paso Heights Redevelopment Project Area was established with the adoption of a redevelopment plan by City Council on May 12, 1970, encompassing approximately 1,028 acres. Since the initial years, over six million dollars of Community Development Block Grant (CDBG) funds and tax increment revenue have been spent in Del Paso Heights to complete capital improvement needs. Unlike other areas in the City, Del Paso Heights consisted largely of unimproved streets, open drainage ditches and antiquated sewer and septic systems. As such, much of the redevelopment monies had to first be dedicated to ground level and in-ground capital improvements.

In May 1985, the City of Sacramento, acting in its capacity as the Redevelopment Agency, amended the Del Paso Heights Redevelopment Plan and adopted the Implementation Strategy which has as its central objective the provision to continue the early revitalization efforts to retain Del Paso Heights as a viable residential area, improve the neighborhood image and create an environment suitable for private reinvestment. Following passage of the amendment, the following projects were undertaken - street improvements along the major residential corridors of South Avenue, Belden Street and Branch Street, improvements to the industrial park area along Interstate-80, the initiation of a Commercial Loan and Grant Program to encourage the revitalization of the Marysville Boulevard commercial strip.

(1)

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency of the
City of Sacramento
April 9, 1991
Page 2

The 1989 Revitalization Strategy outlined projects which embark on a new era of redevelopment activities where dramatic projects can be planned and accomplished from the "ground-up".

The attached report provides an update on the projects introduced in the Strategy as well as describing the plans for future development activities. Many of the activities introduced in the Strategy have been accomplished. These successes, outlined in Section 1 of the report, include the completion of the Woodhaven Senior residences, numerous street projects and eight self-help housing units. Since the Strategy was approved in 1989, approximately \$2.8 million dollars in Community Development Block Grant and tax increment funds have been spent in the area. Projects completed during this period include 104 residential units at the Woodhaven senior housing development and eight self-help single-family units, street improvements along Jean, O'Donnell and Carmelita Avenues, as well as Cypress and Renee Streets. These developments are just beginning to change the face of Del Paso Heights serving to heighten the potential which exists in the community.

Section II of this report provides an update of the remaining projects described in the Strategy. Staff is focusing on the development of additional single-family housing. The construction of a planned single-family market-rate residential development in the area of Norwood and Carroll Avenues and fifty units of self-help housing along Rio Linda Boulevard remain key elements of the multi-faceted revitalization approach. This document also discusses the status of economic development activities including the construction of a shopping center and targeted commercial redevelopment along Marysville Boulevard. Capital improvement projects and image-building programs are described herein as the final aspects of the Strategy. Optimism for Del Paso Heights's future has reached a new level.

Community optimism has resulted in the maturation of some of the ongoing activities and the creation of new projects. Many of the image-building concepts currently underway were discussed only skeletally in the 1989 document, but have now been developed into models worth replicating in other places in the City. These programs, as well as on-going activities such as Workreation and the City Life Summer Series, are reinforced by the capital improvement projects funded through the new Community Development Block Grant (CDBG) three year plan. Section III of this document describes fully the range of these new activities which have been developed since 1989.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency of the
City of Sacramento
April 9, 1991
Page 3

The future of Del Paso Heights cannot be envisioned, however, without recognizing that there is still a long way to go. Del Paso Heights has a great deal of open or underutilized land. Our goals to rehabilitate existing housing stock while encouraging new housing production are still incomplete. There continues to be a need to provide employment opportunities for residents of Del Paso Heights and to achieve improved economic integration by an aggressive approach to middle and upper middle income housing development.

The need for additional funding and time is essential for success in creating an upgraded, revitalized commercial and residential base in Del Paso Heights. Therefore, the Agency has proposed a twenty year extension of the redevelopment project area, extending the redevelopment designation until 2020. This will provide both time and financial resources necessary to systematically address the complexities of the revitalization of Del Paso Heights. The increased tax increment flow can be leveraged to finance additional bond issues and thus additional improvements. Section IV of this report generally outlines the Agency's goals and objectives for the additional redevelopment years. These efforts will be more specifically defined when we return with recommendations to extend the Project Area term. Staff anticipates returning to the governing bodies in June 1991 with a conceptual report on the extension.

This document clearly illustrates the Agency's aggressive approach and commitment to the revitalization of Del Paso Heights. Our activities, combined with the support and leadership within the community, we believe will lead us to eventual success.

FINANCIAL DATA

Over \$4 million of Del Paso Heights Tax Increment and bond funds is available to implement the above-mentioned projects and to complete the previously approved projects. This report does not request any changes to the existing budget.

POLICY IMPLICATIONS

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

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency of the
City of Sacramento
April 9, 1991
Page 4

ENVIRONMENTAL REVIEW

The Strategy is a planning document exempt from environmental review per CEQA Guidelines Section 15262; NEPA does not apply.

MBE\WBE

This action is administrative in nature and has no impact at this time. The specific projects when implemented will be reviewed by the MBE\WBE staff.

VOTE AND RECOMMENDATION OF THE DEL PASO HEIGHTS REDEVELOPMENT ADVISORY COMMITTEE (PAC)

At its regular meeting of March 14, 1990, the Del Paso Heights Redevelopment Advisory Committee (PAC) voted unanimously to recommend approval of the Del Paso Heights Revitalization Strategy Update. The votes were as follows:

AYES: Dinkel, Driever, Moore, Rockwell, Spyres, Sullivan, Turner

NOES: NONE

ABSENT: Avad, Cunningham, Murrell, Pardieck

VOTE AND RECOMMENDATION OF THE COMMISSION

At its meeting of March 27, 1991, the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolution. The votes were as follows:

AYES: Amundson, Cespedes, Diepenbrock, Moose, Simon, Simpson, Wooley, Yew, Strong

NOES: None

NOT PRESENT TO VOTE: Pernell

ABSENT: Williams

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency of the
City of Sacramento
April 9, 1991
Page 5

RECOMMENDATION

This report: 1) approves the Del Paso Heights Revitalization Strategy Update along with the twenty year extension of the Project Area, and 2) directs the Executive Director to implement the projects outlined in the Strategy Update.

Respectfully submitted,


JOHN E. MOLLOY
Acting Executive Director

TRANSMITTAL TO COUNCIL

WALTER J. SLIPE
City Manager

Contact Person: Leslie Fritzsche
440-1315

F:\JR\STAFFRPT\REVITALI.Z

RESOLUTION NO.

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF _____

APPROVAL OF DEL PASO HEIGHTS REVITALIZATION STRATEGY UPDATE

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO:

Section 1: The Del Paso Heights Revitalization Strategy Update ("the Strategy Update") is hereby approved.

Section 2: The Executive Director is hereby directed to implement the projects outlined in the Strategy Update.

CHAIR

ATTEST:

SECRETARY

P:\SHARE\RESO\REVITALIZ

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____