



REPORT TO THE REDEVELOPMENT AGENCY of the City of Sacramento

**915 I Street, Sacramento, CA 95814-2671
www.CityofSacramento.org**

**Consent
May 11, 2010**

Honorable Chair and Members of the Board

Title: Creation of the 700/800 Blocks of K and L Streets Project Ad Hoc Committee

Location/Council District: South side of the 700 block of K Street, and portions of the 800 Block on K and L Streets. (Council District 1)

Recommendation: Adopt a Redevelopment Agency Resolution to appoint a special advisory committee comprised of the Mayor and three Council Members to review the development team qualifications and project concepts for the 700/800 Blocks of K and L Streets, the Selection Committee recommendations, Staff's recommendation, and provide a recommendation to the Agency Board.

Contact: James R. Rinehart, Economic Development Director, (916) 808-5054; Leslie Fritzsche, Downtown Development Manager; 808-5450, Beth Tincher, Senior Economic Development Project Manager, 808-7730

Presenters: N/A

Department: Economic Development

Division: Downtown Development Group

Organization No: 18001021

Description Analysis:

Issue: In December 2009, the Economic Development Department, on behalf of the Agency, issued a Request for Qualifications (RFQ) soliciting qualifications and project concepts from development teams for the development of mixed-use projects for the 700 and 800 blocks of K and L streets (See Attachment 1, Map of Development Sites). Development teams were encouraged to submit team qualifications and project concepts for any of the development areas or any combination of the development areas. In February 2010, four proposals were submitted by the following development teams:

- Team 1: David S. Taylor Interests, Inc. is the Master Developer of this team and is supported by the CIM Group (Developer/Financial Partner), Domus

Development (Associates Developer/ Affordable Housing Partner), and Zeiden Properties, LLC (Associate Developer/Retail).

- Team 2: D and S Development Company is the Master Developer and is supported by CFY Development, Inc. (Developer/ Partner/Contractor).
- Team 3: Bridge Housing Corporation is the Master Developer and is supported by Saca Development (Management and Leasing Services), and Bagatelos Development, LLC.
- Team 4: Rubicon Partners is the Master Developer with St. Anton Partners (General Partner) and Preferred Capital Advisors (General Partner).

Details regarding each RFQ response can be found on the Economic Development website at www.cityofsacramento.org/econdev/development-projects.

The Redevelopment Agency of the City of Sacramento has established a Selection Committee to evaluate the RFQ responses and make a recommendation to the Agency Board. In addition to the Selection Committee, staff is requesting that the Agency's governing board establish the 700/800 Blocks of K and L Street Project Ad Hoc Committee. The advisory ad hoc committee would evaluate the 700/800 Blocks of K and L Streets RFQ responses, evaluate the Selection Committee recommendation and forward a recommendation to the Agency Board. The ad hoc committee would meet for a limited time on an as needed basis until the charge of the ad hoc committee has been accomplished.

Policy Considerations: Pursuant to Section 54952(b) of the Government Code, staff is requesting that the Agency's governing board establish the formation of the 700/800 Blocks of K and L Street Project Ad Hoc Committee. The creation of the 700/800 Blocks of K and L Streets Project Ad Hoc committee will provide an objective consideration of the proposals, the Selection Committee and Staff recommendations for input to the full Agency Board.

Environmental Considerations: The appointment of an ad hoc committee is an administrative action, and is therefore exempt under CEQA.

Sustainability Considerations: n/a

Rationale for Recommendations: In October 2004, the Economic Development Department, in conjunction with the Mayor's office hosted the "JKL Corridor Workshop" to establish the vision and strategic direction for the heart of the downtown area. The JKL Corridor Strategy Plan and the Downtown Sacramento Partnership Strategic Action Plan identified these blocks as a key target area for economic development. These plans recommended strategic attention be given to the 700 and 800 blocks of K and L streets, with specific attention to mixed-use development including ground floor retail, housing, cultural and commercial uses for the following reasons:

- The site connects two regional destinations, the Downtown Plaza and the Convention Center. The 700/800 blocks of K and L streets continue to experience high vacancy rates and significant blight.

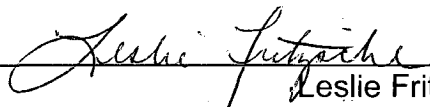
- The property's footprint is relatively large and could house significant housing, retail and commercial uses.
- Development of the site could provide uses that will bolster current and recently completed investments made in the Downtown area including Westfield Downtown Plaza, the Citizen Hotel, the Cosmopolitan, and three new entertainment venues on the 1000 block of K Street.

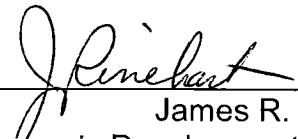
Over the past few years the Agency has successfully assembled several properties on the south half of the 700 block of K Street and portions of the 800 block of K and L streets. As previously summarized, the Agency received four responses to a Request for Qualifications, issued December 2009, soliciting qualifications and development concepts from developer teams for the development of mixed-use projects for the 700 and 800 blocks of K and L streets.

The 700 and 800 blocks of K and L streets are instrumental in achieving the Agency's strategy of revitalizing the JKL Corridor to create a district that provides a unique and exciting destination for retail, entertainment and living. Staff recommends that a special Agency Board Ad Hoc Committee be established to provide an additional evaluation of RFQ responses, evaluate the Selection Committee's recommendation and provide a recommendation to the full Agency Board.

Financial Considerations: None.

M/WBE Considerations: No federal funding is involved and minority and Women's Business Enterprise requirements are not applicable.

Respectfully submitted by: 
 Leslie Fritzsche
 Downtown Development Manager
 on behalf of the Redevelopment Agency
 Of the City of Sacramento

Approved by: 
 James R. Rinehart
 Economic Development Director

Recommendation Approved:


 Gus Vina
 Interim City Manager

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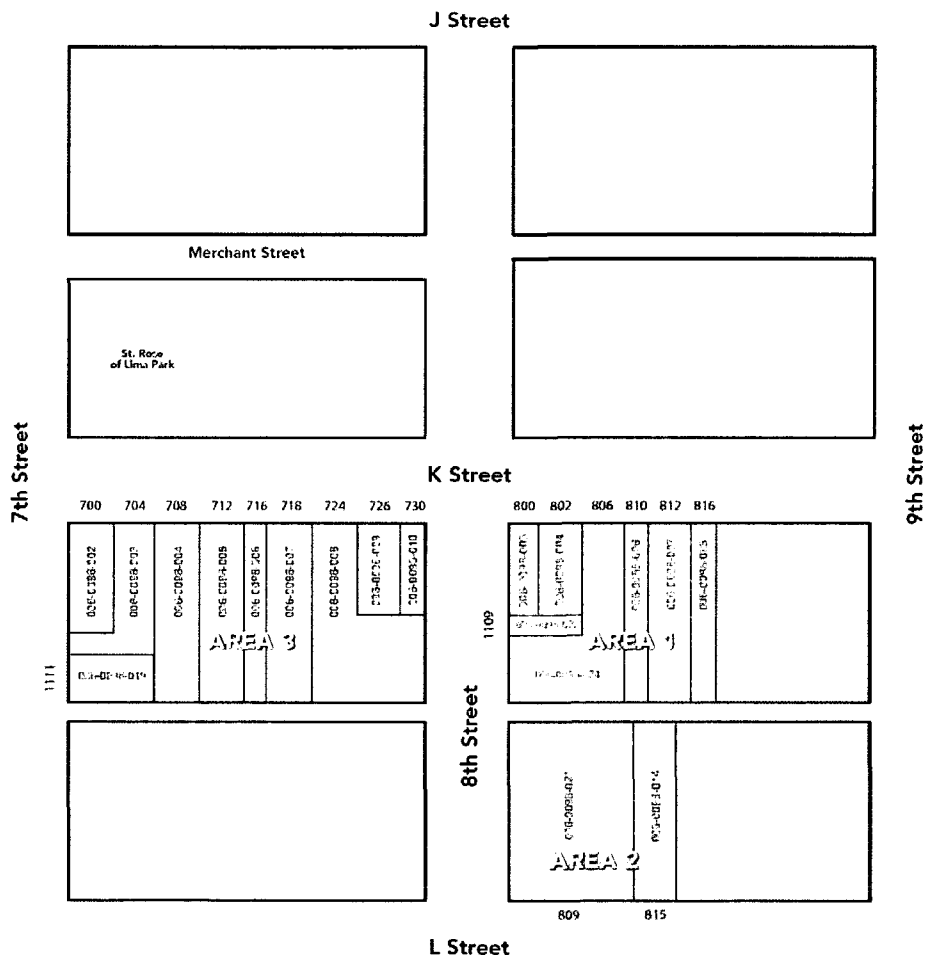
Attachments:

1 Pg 5 Map Project Site and Development Areas

2 Pg 6 Resolution

**Attachment 1
Map of Project Site and Development Areas**

Proposed Development Sites
700/800 Blocks of K and L Streets



Attachment 2

RESOLUTION NO. 2010-

**Adopted by the Redevelopment Agency
of the City of Sacramento**

**CREATION OF THE 700/800 BLOCKS OF K AND L STREETS PROJECT
AD HOC COMMITTEE**

BACKGROUND

- A. The Redevelopment Agency of the City of Sacramento ("Agency") has adopted the Merged Downtown Sacramento Redevelopment Plan ("Redevelopment Plan") and an Implementation Plan for the Merged Downtown Sacramento Redevelopment Project Area ("Project Area").
- B. In 2004, The JKL Corridor Strategy identified the 700/800 blocks of K and L streets as a critical location for revitalization of K Street, with a focus on mixed-use development including ground floor retail; housing; cultural and commercial uses envisioned on this property to eliminate blight, stimulate economic growth and provide for a range of housing types.
- C. Over the past few years, the Redevelopment Agency has assembled property located on the south half of the 700 Block of K Street and a portion of the 800 blocks of K and L Streets ("Property") in the Project Area for redevelopment purposes.
- D. The 700 and 800 K Street blocks suffer from blighting conditions including deteriorated buildings, vacant parcels, and unsafe sidewalks.
- E. In December 2009, the Agency, represented by the Economic Development Department, issued and Request for Qualifications (RFQ) soliciting qualifications and concept proposals for the development of a mix-use project in the heart of downtown on the K Street Mall including properties on the southern half of the 700 blocks of K Street and portions of the 800 blocks of K and L Street.
- F. In February 2010, the Agency received four responses to the Request for Qualifications.
- G. In February 2010, The Redevelopment Agency established a Selection Committee to evaluate the proposals and make a recommendation to the Agency Board and is requesting that the Agency's governing board appoint an ad hoc committee to evaluate the RFQ responses, the Selection Committee recommendation, Staff's recommendation and make a recommendation to the Agency Board.

- H. The activity recommended in this resolution is an administrative activity and is a commitment to feasibility and planning rather than approval of or commitment to a project. It is, therefore, not a project under CEQA (CEQA Guidelines Section 15378) and, furthermore, the establishment of an advisory committee will not have a significant effect on the environment (CEQA Guidelines Section 15061(b)(3)).

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

- Section 1. The above statements, including but not limited to the environmental statement, are found to be true and correct.
- Section 2. The 700/800 Blocks of K and L Streets Project Ad Hoc Committee ("Advisory Committee) is hereby established and it shall consist only of the Mayor and three council members as appointed in public by the Mayor. This Advisory Committee will continue in existence only as necessary to complete its evaluation of the RFQ responses, the Selection Committee recommendation, and Staff's recommendation.
- Section 3. Following the completion of its evaluation, the Advisory Committee will make a recommendation to the full Agency Board for its consideration.