

CITY PLANNING COMMISSION
927 10TH STREET - SACRAMENTO, CA 95814

Owners: Gateway Centre Association, 1451 River Park Drive Suite 110, Sacramento, CA 95814
Applicant: Lee Sammis Company, 1451 River Park Drive Suite 110, Sacramento, CA 95814
Plans By: Anthony M. Guzzardo
Application Filed: 5/6/83 Report By: DP/lr

APPLICATION:

- A. Certification of the Final Environmental Impact Report for Creekside Oaks and Gateway Centre
- B. Amendment of the 1974 General Plan from Residential to Industrial (33± acres)
- C. Amendment of the 1978 South Natomas Community Plan from Residential to Heavy Commercial-Industrial (33± acres)
- D. Amendment of the Gateway Centre PUD from Residential to Manufacture, Research and Development (33± acres)
- E. Amendment of City Agreement No. 82055
- F. Rezone from Townhouse (R-1A-PUD) to Manufacture, Research and Development (MRD-PUD) (33± acres)

LOCATION: Easterly side of Gateway Oaks Drive, approximately 1,000 feet south of West El Camino Avenue. (APN: 274-320-15)

PROPOSAL: The applicant is requesting the necessary entitlements to develop 500,000 square feet of buildings on 33 acres with land uses allowed in the manufacture, research and development zone.

PROJECT INFORMATION:

| | |
|--|-------------------------------------|
| 1974 General Plan Designation: | Residential |
| 1978 South Natomas Community Plan Designation: | Residential (12 du/ac maximum) |
| Existing Zoning of Site: | R-1A (PUD) |
| Existing Land Use of Site: | Vacant |
| Surrounding Land Use and Zoning: | |
| North: | Vacant; OB-PUD |
| South: | Vacant; OB-PUD, R-1A PUD |
| East: | Vacant; OB-PUD |
| West: | Vacant; R-1 PUD, R-1A PUD, R-2B PUD |

| | |
|------------------------------|------------------------------------|
| Property Area: | 33+ acres |
| Square Footage of Buildings: | 500,000 gross square feet |
| Topography: | Flat |
| Street Improvements: | Existing |
| Utilities: | Existing and Available to the site |

BACKGROUND INFORMATION: On December 7, 1982, the City Council approved the Gateway Centre PUD with the following land uses: 52 acres of office (853,687 square feet), 5 acres of support commercial (35,000 square feet), 30 acres of residential (396 dwelling units) and 4 acres of I-5 scenic corridor. In January 1984, the Planning Commission granted a special permit to allow two 65 foot high office buildings totalling 145,000 square feet in the Gateway Centre PUD. An application for a building permit for one of the structures has been submitted to the City.

Recognizing that the land use changes granted in 1982 altered the character of the 1978 South Natomas Community Plan (SNCP), the City Council directed the preparation of an update of the Plan. Due to continued requests for plan amendments, the City Council, in November 1983, placed a moratorium on applications requiring amendments to non-residential uses and residential uses of 23 or more dwelling units per acre of the South Natomas Community Plan. After receiving applications for Creekside Oaks and Gateway Centre and prior to the moratorium, the City received 11 applications for plan amendments in South Natomas. The Draft Plan and Environmental Impact Report (DEIR) on the Plan and 11 projects are scheduled for release within 2 weeks. The Draft Plan proposes medium density residential for the subject site. This staff report contains a discussion of the cumulative impacts of the 13 applications.

PROJECT INFORMATION: The applicant is requesting that the 33 acres presently designated and zoned residential (396 dwelling units) be rezoned to allow 500,000 square feet of manufacturing, research and development uses. The applicant states that "the purpose of the request is to provide a location for such uses as electronics research laboratories, agricultural testing and analysis, energy conservation research and development, computer data processing services, light assembly, and various office uses..."

It should be noted that the existing Gateway Centre PUD guidelines allow research and development uses on the portion of the PUD currently designated for non-residential land uses in the fields of electronics, communications, medical, data processing and computer technologies, environmental control, measuring devices, scientific instrumentation, and advanced engineering research.

EIR FINDINGS: An EIR (Creekside Oaks and Gateway Centre SCH No. 84010903) was prepared on the proposed project. The EIR identified unavoidable adverse environmental impacts in the following areas: land use, population, housing and transportation. The EIR analysis concluded that impacts in the following areas could be mitigated to less than significant if mitigation measures were implemented: employment, public facilities and services, energy, hydrology, drainage, water quality, aesthetics, and cultural resources. The potentially significant and less than significant environmental effects and necessary mitigation measures are summarized in Exhibit A.

MARKET STUDY FINDINGS: As part of the cumulative assessment of the thirteen projects, Keyser Marston conducted an analysis of the market absorption rate for the proposed office (3,607,780 square feet), MRD (1,807,350 square feet of office; 1,753,350 square feet of MRD), commercial (940,000 square feet), and residential (2,056 dwelling units), land uses within the context of the 1978 SNCP over a 20-year period.

- o Residential. The study concluded that all of the planned dwelling units could be absorbed within 9 years.
- o Commercial. The analysis concluded that more than twice as much commercial square footage is proposed and existing than could be absorbed over 20 years.
- o Office. The study concluded that South Natomas is considered a highly competitive location for office development within the City. The finding is predicated upon the following:
 - The high demand for high amenity suburban office space in the Sacramento area.
 - The ability of South Natomas to accommodate a substantial amount of new housing, particularly multi-family units.
 - The proximity of the sites to the freeway thereby providing freeway visibility.
 - The close proximity of South Natomas to the downtown and Metro Airport.

Although, as the EIR points out, 1) there is considerable vacant land suitable for office development throughout the region, 2) South Natomas may initially experience a modest absorption rate due to the lack of office identity and high vacancy rates, and 3) the projected land and lease costs are at the upper end of the scale, the market analysis concludes that 5.5 million square feet of office space could be absorbed in South Natomas within 20 years. This is less than the already approved and currently proposed 8+ million square feet.

- o MRD. The analysis concluded that South Natomas offered competitive advantages to other sites for high technology users because of access to major freeways and the ability of the plan area to accommodate a substantial amount of new housing. Although, as the EIR points out, 1) because the land and lease prices in South Natomas are expected to be in the upper range of regional prices it is likely that high tech manufacturing, assembly or distribution uses would not locate in the plan area and 2) the Sacramento region is

expected to attract assembly MRD uses rather than administration uses, the market analysis concludes that 1.75+ million square feet of MRD uses could be absorbed in South Natomas within 7 years.

STAFF EVALUATION:

Land Use, Population and Housing: The proposed project is inconsistent with the residential land use designations and with the policies of the 1974 General Plan, the existing South Natomas Community Plan, the 1980 Central City Plan and the Housing Element.

- o The SNCP designates the site for Residential-12 dwelling units per acre maximum. The project would displace 396 dwelling units and 752 people (1.8 percent of the planned residences and 1.3 percent of the planned population for South Natomas). Although the units might be shifted to other areas of the City, the areas may not provide the close proximity to the CBD nor the affordability of housing that South Natomas does. The project is inconsistent with the SNCP and the Housing Element in that among the goals of the Community Plan and the Housing Element are to provide close-in housing to the CBD and adequate and affordable housing within the City limits. It should be noted that previous office park approvals in South Natomas reduced the residential and population buildout of the plan area by approximately 2,300 units and 5,750 people.

The loss of residentially designated land in the City and the County was recently addressed in a report prepared by the Sacramento Board of Realtors entitled "Rezoning Sacramento's Residential Land" (May 1984). The report concludes that between 1981 and 1983, the City lost 4,829 dwelling units via rezonings from residential to commercial, office, and industrial land use. The report finds that the major land uses - office/commercial, industrial and residential - may be getting out of balance and warns that the City may experience a shortfall in housing to accommodate the projected population of 409,310 in the year 2000.

- o Because the project would be allowed to have up to 50 percent office use, it may result in a slight drag to the Central Business District office absorption. This would potentially be inconsistent with the 1974 General Plan and the 1980 Central City Plan policies advocating support of projects directed at retaining and improving the role of the CBD as the major retail trade and financial center for the region.
- o Because the project is regional in scale, it is inconsistent with policies in the SNCP limiting commercial and office developments to a size and location to serve the residents of the Community Plan area, consistent with adequate circulation and transportation facilities.

- o Because some land use and traffic conflicts could occur with adjacent residential development to the south and west of the project site depending upon the type of users and the amount and type of traffic (e.g. heavy truck traffic), the project is inconsistent with the SNCP. However, the land use conflicts may be mitigated by architectural and site design guidelines and by locating office uses along Gateway Oaks Drive and MRD uses along Venture Oaks Drive (refer to Exhibit E for street locations).

Employment: The project is expected to directly employ 1,770 individuals. Because the largest part of South Natomas office and MRD employment is likely to be in categories with moderate skill and education requirements, the projects would have a positive impact on the labor market unemployment rate. The EIR does note that if the jobs were not provided on the project site, they would probably be provided elsewhere in the Sacramento Metropolitan region, thus the impact on the unemployed labor force would occur irrespective of location.

Public Services and Facilities and Water Quality: Recognizing the potential specialized needs and effects of high technology users, the EIR recommends a series of mitigation measures including: coordination with the County Regional Sanitation District regarding the discharge of toxic chemicals, conducting a site specific hazardous waste management study, the funding by developers of the HAZMAT and other specialized fire equipment, the development of a Hazardous Waste Management Plan (including a contingency plan to provide for the safety and evacuation of adjacent residential areas), and developer sponsored training programs on industrial crime for the City Police. Recognizing the loss in park acreage and potential park useage by project employees, the EIR recommends that non-residential users provide park financing.

Transportation (see Exhibit B): The EIR confirms the conclusions of previous environmental analyses that the South Natomas area's circulation system is constrained. At buildout, under the amended SNCP, the following six intersections will operate at less than an acceptable level of service (LOS) during one or more peak hours:

- o West El Camino Avenue/Gateway Oaks Drive
- o West El Camino Avenue/Northbound I-5 Offramp
- o West El Camino Avenue/Northgate Boulevard
- o West El Camino Avenue/Azevedo Drive
- o Garden Highway/Northgate Boulevard
- o Garden Highway/Truxel Road

With the exception of the Garden Highway/Northgate Boulevard intersection, the proposed project would contribute to unacceptable levels of service at the intersections listed above and at the intersections of:

- o West El Camino Avenue/Truxel Road
- o Garden Highway/Northbound I-5 Ramps

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The EIR concludes that only the intersection of West El Camino Avenue/Azevedo Drive is capable of mitigation.

Proposed Plan: The Draft South Natomas Community Plan (Exhibit C) scheduled for release to the public within 2 weeks designates the site for medium density residential. Among the reasons the proposed plan does not designate the site for non-residential land uses are the potential incompatibility of MRD uses with residential land use (e.g., truck traffic) and the number of already available sites in the metropolitan region.

Cumulative Impacts of Gateway Centre and Creekside Oaks:

- o Combined the projects represent a loss of 90 acres of residentially designated land (1,142 dwelling units and 3,057 people).
- o Although six intersections will operate at less than an acceptable level of service, cumulatively the two projects will increase traffic and contribute to unacceptable levels of service at the following five intersections (see Exhibit B):
 - East Gateway Oaks Drive/West El Camino Avenue
 - West El Camino Avenue/Azevedo Drive
 - West El Camino Avenue/Northgate Boulevard
 - Garden Highway/Northbound I-5 Ramps
 - Garden Highway/Northgate Boulevard
- o The projects would result in an increase in demand for transit service during peak periods.
- o The combined projects would directly employ 3,895 persons.
- o The combined projects would result in a loss of park acreage in South Natomas.

Cumulative Impacts of the 13 Applications (for project locations see Exhibit E):

- o Combined the projects represent a loss of 517 acres of planned residential land (4,300 dwelling units and 10,620 people).
- o Cumulatively, unacceptable levels of service would occur at the following 11 intersections:
 - East Gateway Oaks Drive/West El Camino Avenue
 - West El Camino Avenue/Northbound I-5 Offramp
 - West El Camino Avenue, Azevedo Drive
 - West El Camino Avenue/Truxel Road
 - West El Camino Avenue/Northgate Boulevard

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- Garden Highway/I-5 Interchange
 - Garden Highway/Truxel Road
 - Garden Highway/Northgate Boulevard
 - Truxel Road/New I-80 Collector
 - Northgate Boulevard/New I-80 Collector
 - Northgate Boulevard/San Juan Road
- o The projects would result in an increase in demand for transit service during peak periods.
 - o The combined projects would directly employ 47,625 persons.
 - o The projects would result in a loss of park acreage (29+ acres) in South Natomas.

The following Exhibits are included for the Commission's information:

- Exhibit A - Summary of Environmental Impacts and Mitigation Measures
- Exhibit B - Level of Service Summary for Key Intersections
- Exhibit C - Proposed Draft Plan
- Exhibit D - Location Map
- Exhibit E - Gateway Centre Schematic Site Plan
- Exhibit F - Location of 13 Applications

STAFF RECOMMENDATION: Because the proposed Draft South Natomas Community Plan is scheduled for public distribution within 2 weeks, staff feels that the best planning approach would be to delay hearing this project until the Draft Plan is considered. Recognizing, however, that the Council directed staff to process the Creekside Oaks and Gateway Centre applications ahead of the Draft Plan and the other 11 projects, staff recommends the following:

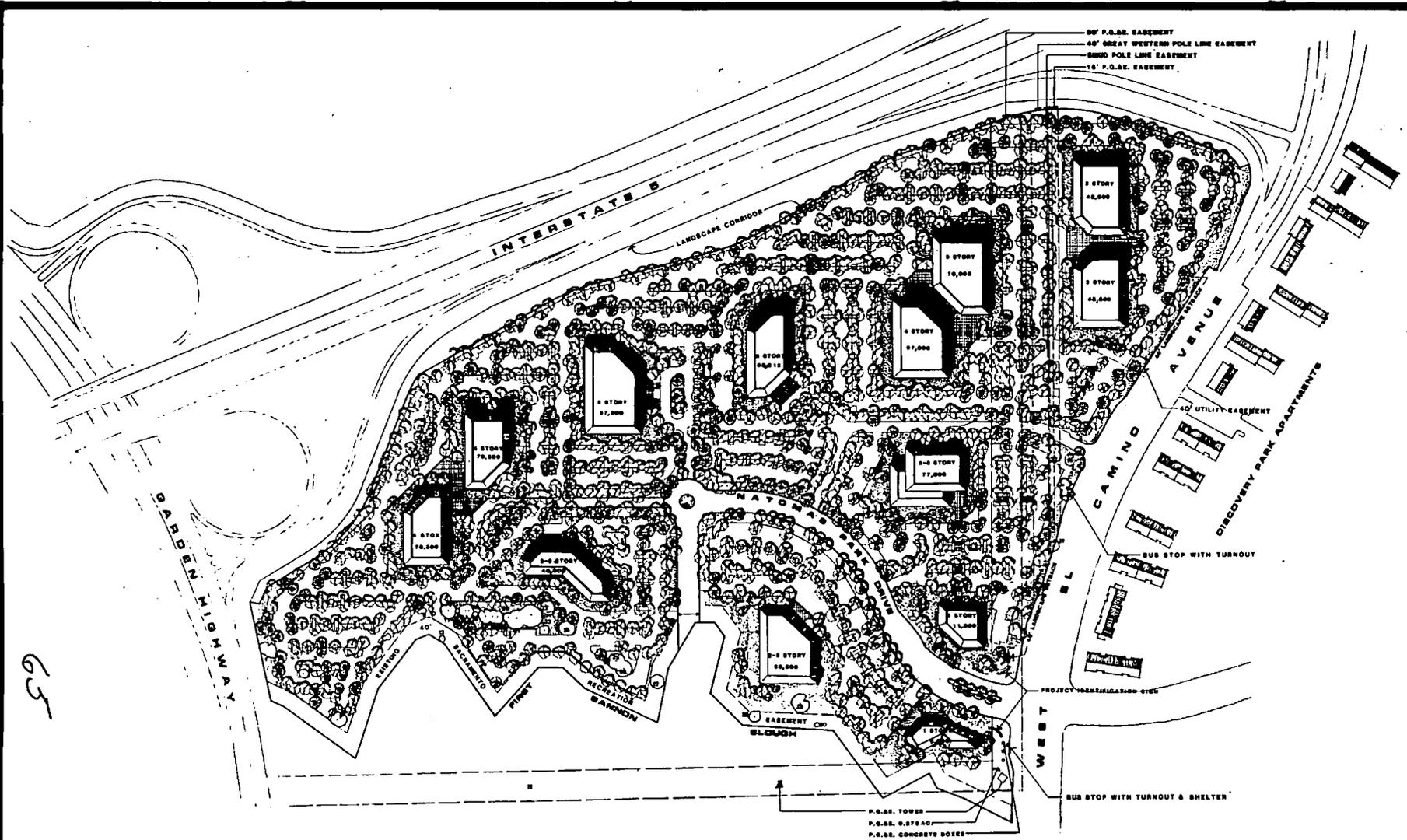
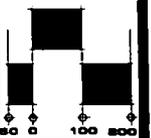
- A. Determination that the Final EIR is adequate.
- B. Certification that the Final EIR has been prepared in compliance with State CEQA Guidelines and that the City Planning Commission has considered the information contained in the Final EIR.
- C. Determination that the project will have a significant effect on the environment based on the findings of the environmental analyses.
- D. Denial of the amendment to the 1974 General Plan.
- E. Denial of the amendment to the 1978 South Natomas Community Plan.
- F. Denial of the amendment to the Gateway Centre PUD.
- G. Denial of the amendment to City Agreement No. 82055.
- H. Denial of the rezone.

001971

**schematic
site plan**

a professionally planned business
community by KCS development co.
city of sacramento, california

**natomas
corporate
center**



65

EXISTING TREE LEGEND

- | | |
|------------------|--------------|
| 1. 2" C. Redwood | 10. 12" Oak |
| 2. 3" C. Oak | 11. 14" Oak |
| 3. 4" C. Oak | 12. 16" Oak |
| 4. 5" C. Oak | 13. 18" Oak |
| 5. 6" C. Oak | 14. 20" Oak |
| 6. 7" C. Oak | 15. 22" Oak |
| 7. 8" C. Oak | 16. 24" Oak |
| 8. 9" C. Oak | 17. 26" Oak |
| 9. 10" C. Oak | 18. 28" Oak |
| 10. 11" C. Oak | 19. 30" Oak |
| 11. 12" C. Oak | 20. 32" Oak |
| 12. 13" C. Oak | 21. 34" Oak |
| 13. 14" C. Oak | 22. 36" Oak |
| 14. 15" C. Oak | 23. 38" Oak |
| 15. 16" C. Oak | 24. 40" Oak |
| 16. 17" C. Oak | 25. 42" Oak |
| 17. 18" C. Oak | 26. 44" Oak |
| 18. 19" C. Oak | 27. 46" Oak |
| 19. 20" C. Oak | 28. 48" Oak |
| 20. 21" C. Oak | 29. 50" Oak |
| 21. 22" C. Oak | 30. 52" Oak |
| 22. 23" C. Oak | 31. 54" Oak |
| 23. 24" C. Oak | 32. 56" Oak |
| 24. 25" C. Oak | 33. 58" Oak |
| 25. 26" C. Oak | 34. 60" Oak |
| 26. 27" C. Oak | 35. 62" Oak |
| 27. 28" C. Oak | 36. 64" Oak |
| 28. 29" C. Oak | 37. 66" Oak |
| 29. 30" C. Oak | 38. 68" Oak |
| 30. 31" C. Oak | 39. 70" Oak |
| 31. 32" C. Oak | 40. 72" Oak |
| 32. 33" C. Oak | 41. 74" Oak |
| 33. 34" C. Oak | 42. 76" Oak |
| 34. 35" C. Oak | 43. 78" Oak |
| 35. 36" C. Oak | 44. 80" Oak |
| 36. 37" C. Oak | 45. 82" Oak |
| 37. 38" C. Oak | 46. 84" Oak |
| 38. 39" C. Oak | 47. 86" Oak |
| 39. 40" C. Oak | 48. 88" Oak |
| 40. 41" C. Oak | 49. 90" Oak |
| 41. 42" C. Oak | 50. 92" Oak |
| 42. 43" C. Oak | 51. 94" Oak |
| 43. 44" C. Oak | 52. 96" Oak |
| 44. 45" C. Oak | 53. 98" Oak |
| 45. 46" C. Oak | 54. 100" Oak |

042000

SCHEMATIC PLAN SUMMARY

| | |
|----------------------------|------------------------|
| GROSS ACREAGE | 622 AC. |
| NET ACREAGE | |
| TOTAL BUILDING AREA | 793,313 SQ. FT. |
| OFFICE BUSINESS | 793,313 SQ. FT. |
| PARKING REQUIRED | 3,173 SPACES |
| PARKING PROVIDED | 3,173 SPACES |



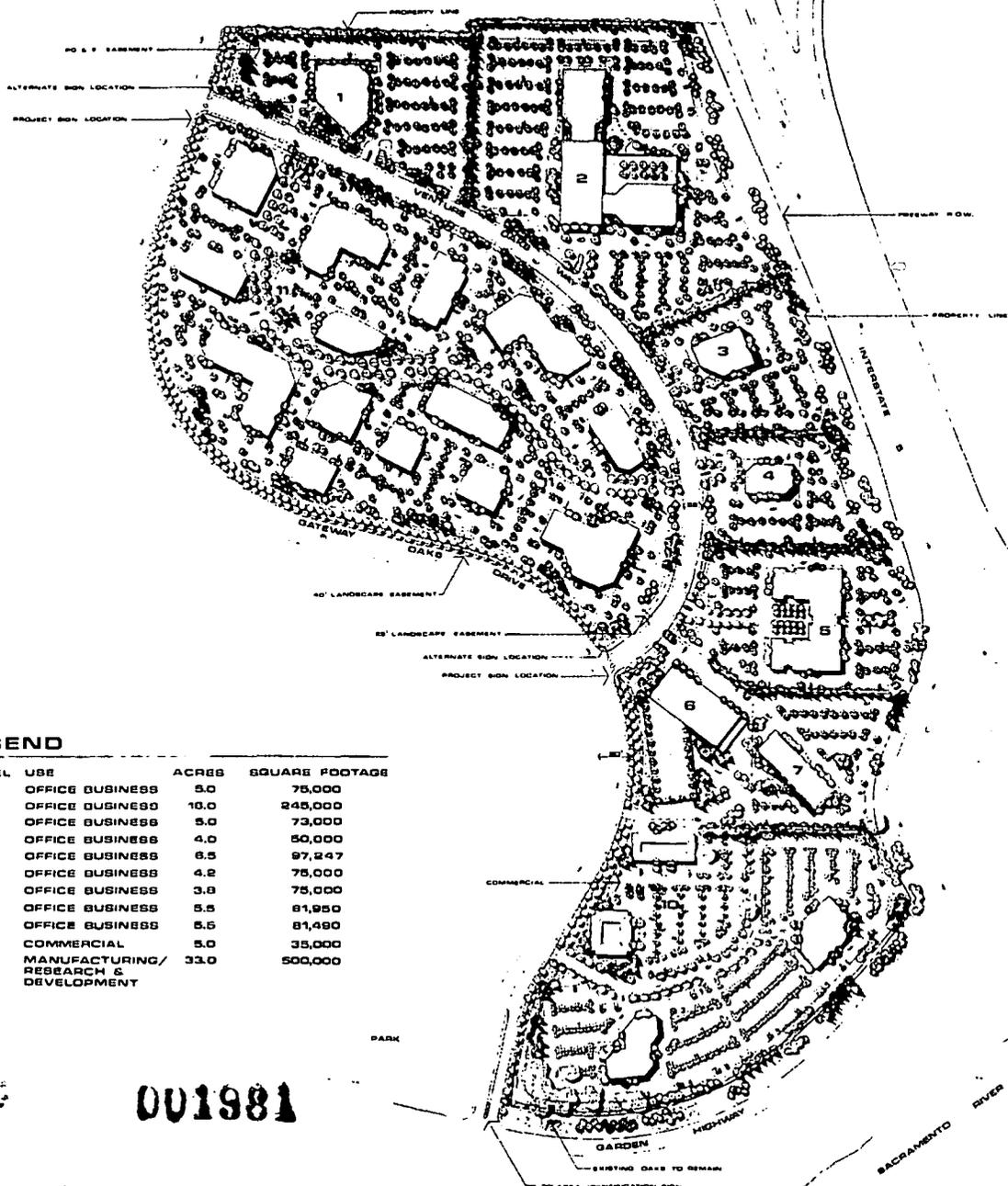
P83-152

November 12, 1984

Item No. 12

COMMERCIAL

COMMERCIAL



GATEWAY CENTRE

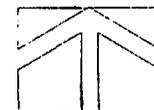
SACRAMENTO CALIFORNIA

SCHEMATIC SITE PLAN

LEGEND

| PARCEL | USE | ACRES | SQUARE FOOTAGE |
|--------|---|-------|----------------|
| 1 | OFFICE BUSINESS | 5.0 | 75,000 |
| 2 | OFFICE BUSINESS | 10.0 | 245,000 |
| 3 | OFFICE BUSINESS | 5.0 | 73,000 |
| 4 | OFFICE BUSINESS | 4.0 | 50,000 |
| 5 | OFFICE BUSINESS | 6.5 | 97,247 |
| 6 | OFFICE BUSINESS | 4.2 | 75,000 |
| 7 | OFFICE BUSINESS | 3.8 | 75,000 |
| 8 | OFFICE BUSINESS | 5.5 | 81,950 |
| 9 | OFFICE BUSINESS | 5.5 | 81,480 |
| 10 | COMMERCIAL | 5.0 | 35,000 |
| 11 | MANUFACTURING/ RESEARCH & DEVELOPMENT | 33.0 | 500,000 |

001981



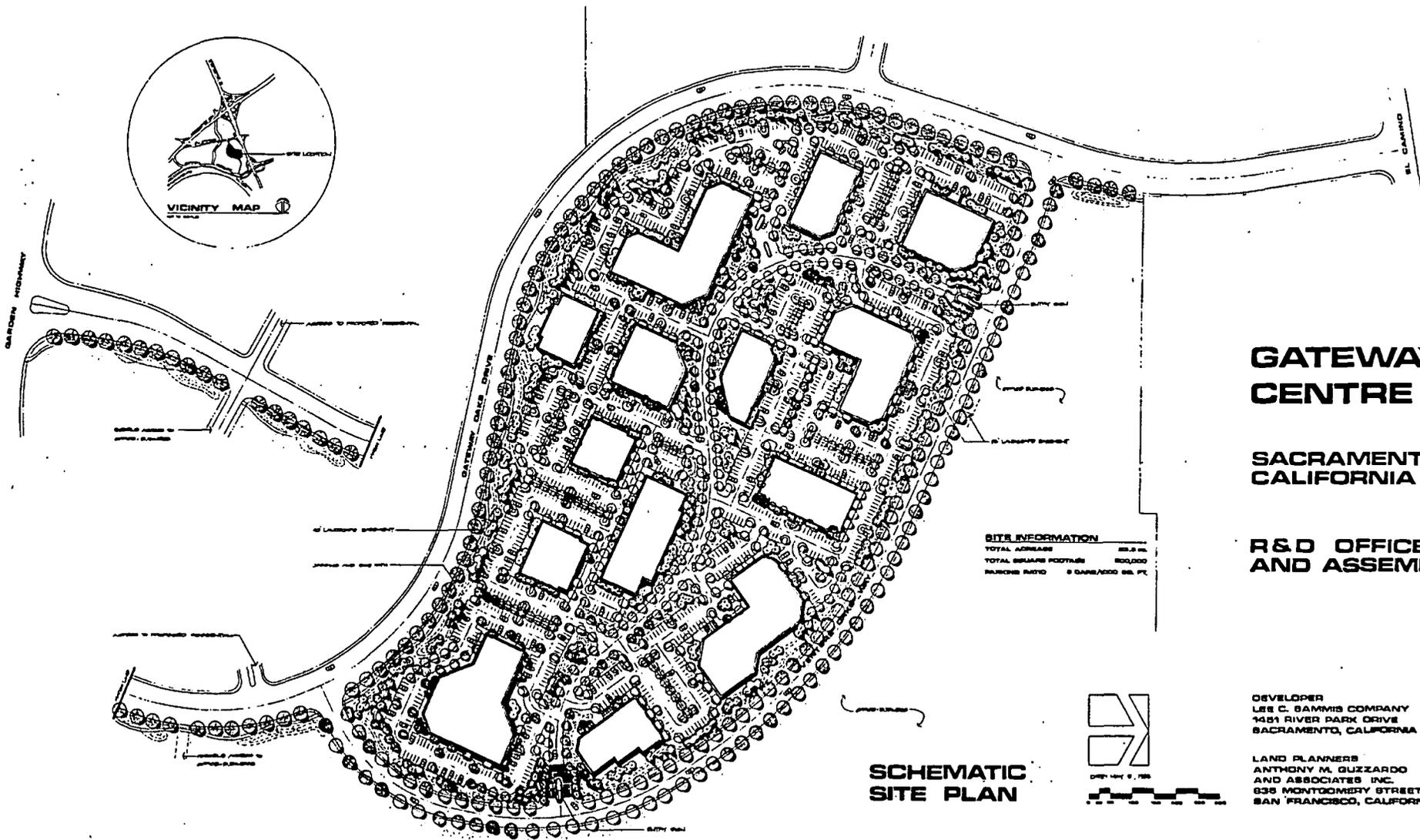
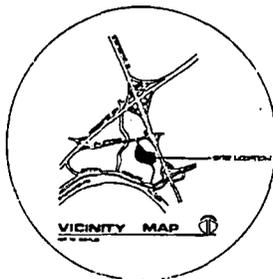
SCALE IN FEET



DATE: NOVEMBER 11, 1984

DEVELOPER
LEE C. SAMMIS COMPANY
1451 RIVER PARK DRIVE
SACRAMENTO, CALIFORNIA

LAND PLANNERS
ANTHONY M. GUZZARDO
AND ASSOCIATES
836 MONTGOMERY STREET
SAN FRANCISCO, CALIFORNIA



GATEWAY CENTRE

SACRAMENTO CALIFORNIA

R & D OFFICE AND ASSEMBLY

SITE INFORMATION

| | |
|----------------------|---------------------|
| TOTAL ACRES | 23.2 AC. |
| TOTAL SQUARE FOOTAGE | 800,000 |
| PARKING RATIO | 5 CARS/1000 SQ. FT. |

SCHEMATIC SITE PLAN



DEVELOPER
 LEE C. SAMMIS COMPANY
 1481 RIVER PARK DRIVE
 SACRAMENTO, CALIFORNIA

LAND PLANNERS
 ANTHONY M. GUZZARDO
 AND ASSOCIATES INC.
 635 MONTGOMERY STREET
 SAN FRANCISCO, CALIFORNIA

001979

PLAT OF
GATEWAY CENTRE

Exhibit B

PORTION OF SECTIONS 23 & 26 T.9N. R.4E. M.D.B. & M.

CITY OF SACRAMENTO

CALIFORNIA

1983

SCALE: 1" = 200'

THE SPINK CORPORATION

SHEET OF SHEETS

