

MINUTES

OF THE

SACRAMENTO CITY COUNCIL
REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO
HOUSING AUTHORITY OF THE CITY OF SACRAMENTO
ECONOMIC DEVELOPMENT COMMISSION
SACRAMENTO CITY FINANCING AUTHORITY

REGULAR MEETING

OCTOBER 1, 1998

CALL TO ORDER

The Regular Meeting of the Sacramento City Council was called to order by Mayor Serna at 7:03 p.m. on the above date in the City Council Chamber located at 915 I Street

ROLL CALL

Present: Councilmembers Cohn, Fargo, Hammond, Kerth, Pannell, Steinberg, Waters, Yee and Mayor Serna.

PLEDGE OF ALLEGIANCE was led by Boy Scout Pack 443 from North Sacramento [D-2]

9.0 SPECIAL PRESENTATIONS/GENERAL COMMUNICATIONS

9.1 Musical presentation by the Mariachis Zacatecas in observance of Mariachi Week

Mayor Serna made the presentation to the Mariachis Zacatecas for winning the competition.

The Mariachis Zacatecas played for the Council.

11.0 STAFF REPORTS

11.1 Authorization to execute "Gold Fever!" funding agreement with the County of Sacramento and the Golden One Credit Union. (D-All)

Kristin Otto, Manager of the Downtown Department, stated that the Golden One Credit Union will be partnering with the City and the County to sponsor this exhibit. One of their stipulations is that the City share the financial risk. If there is a loss, the rent from the Memorial Auditorium will be reduced.

Dave Thomson, Vice President of Marketing at Golden One, stated he was pleased and proud to lend support to this quality program.

Burnett Miller, of Burnett and Sons and former Mayor, stated it is a wonderful exhibit, worth \$4 million. It will be accessible to all of northern California.

Jim Henley, Manager of the Sacramento Archives and Museum Center, also praised the exhibit. It is largest traveling exhibit ever mounted by a museum in California history.

A motion was made by Councilwoman Fargo and seconded by Councilman Cohn to approve the resolution. The motion passed 9-0 with a roll call vote.

RESOLUTION NO. 98-495 TO APPROVE AG98-164

AUTHORIZATION TO NEGOCIATE AND EXECUTE
"GOLD FEVER!" FUNDING AGREEMENT WITH COUNTY
OF SACRAMENTO AND THE GOLDEN ONE CREDIT
UNION

10.0 PUBLIC HEARINGS [*in conjunction with SHRA*]

10.1 Joint hearing on the proposed fourth amendment of the Oak Park Redevelopment Plan. (D-5)

If no written objections are received regarding the proposed Amendment:

- A. Approve the negative declaration on the proposed fourth amendment to the Redevelopment Plan for the Oak Park Redevelopment Project;
- B. Introduce the ordinance adopting the fourth amendment to the Redevelopment Plan for the Oak Park Redevelopment Project

OR

If written objections are received regarding the proposed amendment:

- C. Continue to October 20, 1998 for findings
-

Anne Moore, SHRA Executive Director, introduced Jim Hare, the Program Manager of the Oak Park Redevelopment Plan.

Mr. Hare explained that Oak Park is one of the oldest Redevelopment Areas. Block Grants and tax increment funds of \$3.1 million have been spent to correct disinvestment, substandard housing, and blight. The projects in the past 30 years include commercial strip revitalization, housing improvements, environmental cleanups, economic redevelopment projects, infrastructure, and public utilities.

This 4th Amendment is necessary because significant blight remains. The Plan Amendment will give the agency 10 more years to accomplish goals, and 20 more years to pay back debt. It will raise the caps on the amount of tax increment the agency can collect and increase the debt service it can incur. The amendment also extends the agency's power of eminent domain until 2010.

Nickki Murphy, Sacramento Housing Redevelopment Agency (SHRA) Legal Advisor, read into the record the required documents. One change was requested from the Oak Park Project Area Committee: that all the tax increment funds from the Oak Park area be used only in the Oak Park project.

Don Frasier, Redevelopment Plan Consultant, described the report. Activities will end without this amendment. There is \$6 million in unallocated funds, but \$80 million is needed.

Mr. Hare described possible future projects. One important project is the boarded and vacant home program to give developers incentives. Others are the Urban Design Plans for Stockton and Broadway.

Councilwoman Hammond stated she is very pleased that incentives are going to be offered to developers. There are too many vacant lots. She spoke of the grocery store project opening in April.

Public Testimony:

Ray White, of the Oak Park Redevelopment Advisory Committee, (RAC) supported the plan.

Richard Mc Calla supported the plan but would like to see more language promoting owner occupied single family housing, promote commercial activity, and a plan to give developers dangerous buildings. He asked for 0 interest loans.

Mr. Hart stated that the agency is in accord with Mr. Mc Calla's ideas. For instance, they are writing down interest rates written by private investors.

Ms. Moore stated that a new loan procedure is in the works and there will be a report back.

Guy Madison, Oak Park resident, commended the attempt but said he thought it was futile. He is opposed to the amendment until problems caused by absentee landowners are solved.

Mac Worthy stated his main concern was Black folks in business and the means for residents to do our own redevelopment. He wanted more documentation from RAC.

Roger Tucker questioned revitalization. He requested that the Redevelopment Agencies pay taxes on the properties they own. He stated that their goals are too vague and the process takes too long.

Wilfordo Amaya, Oak Park home owner, supported the amendment and requested clarification of the eminent domain issue.

Mayor Serna suggested Mr. Amaya join the RAC.

Ms. Moore explained the process of eminent domain. Fair market value is controlled by law to protect the property owner. There must be a public need before a property can be taken.

A motion was made by Councilwoman Hammond and seconded by Councilman Kerth to close the public hearing and adopt the resolutions. It passed 9-0 with a roll call vote. It will come back on October 20, 1998 for final action.

RESOLUTION NO. 98-496

APPROVING THE NEGATIVE DECLARATION FOR THE
FOURTH AMENDMENT TO THE REDEVELOPMENT PLAN
FOR THE OAK PARK REDEVELOPMENT PROJECT

10.2 Joint hearing on the proposed fifth amendment of the Del Paso Heights Redevelopment Plan (D-2)

If no written objections are received regarding the proposed amendment:

A. Approve the negative declaration for the proposed fifth amendment to the Redevelopment Plan for the Del Paso Heights Redevelopment Project;

- B. Introduce the ordinance adopting the fifth amendment to the Redevelopment Plan for the Del Paso Heights Redevelopment Project
OR

If written objections are received regarding the proposed amendment:

- C. Continue to October 20, 1998 for findings
-

Betty Hossman, Project Manager for Del Paso Heights, began by saying that Del Paso Nuevo is not part of the hearing tonight. There is confusion because of the similarity of the name.

This amendment is needed because an additional \$5.8 million will be required to eliminate blight in this project area. The amendment is to extend the project to 2010 and the debt repayment to 2020. The consultant's inventory shows that 20% of housing stock needs extensive rehabilitation and 52% needs moderate rehabilitation. Of the 70 commercial properties on Marysville Boulevard, 22% are vacant and 85% are blighted. Some of the reasons properties are considered blighted are due to code violations, parking problems, ineffective building design, and irregular parcel sizes.

Community priorities for the future are implementation of the Marysville Urban Design Plan, improvements to Grant High School, and construction of Del Paso Nuevo as a show case project.

Ms. Hossman continued by saying that historically, the agency has spent \$20 million thus far on blight removal. \$5 million was spent on housing which generated \$13 million in private funds. A total of \$36 million of public and private funds has been spent in 30 years.

The Redevelopment Advisory Committee (RAC) included an amendment to propose social goals:

- Promote neighborhood based economic opportunities
- Provide quality move up homes
- Support and value neighbor leadership
- Promote safe and healthy "human infrastructure"

The RAC recommended 80% of future bond money to be used for economic development.

Ms. Hassman described future proposed projects including:

- Gap Financing
- Economic Incentives
- Business Improvements and Retention
- Child Care Centers
- Programs including YouthBuild

Nickki Murphy, Sacramento Housing Redevelopment Agency (SHRA) Legal Advisor, read into the record the required 8 documents.

Public Testimony:

Glen Comstock, 50 year resident, supported the amendment.

Leonard Williams expressed concerns about future eminent domain proceedings.

Joaquin Pereira stated that the redevelopment has done more harm than good. The agency has taken too many properties off of the tax roles making taxes too high. He thought private enterprise could not build

Dorothy Hill stated the residents have been assured that Del Paso Nueva will not use eminent domain, and that fair market value will be used.

Ms. Murphy entered into the record a written objection from Rob and Martha Elright. She recommended closing the hearing.

Councilman Kerth commented that neighborhoods do seem to rise and fall. Del Paso Heights peaked in 1950 and has gone down since. Redevelopment has made a difference and will shorten the time needed to return the neighborhood to what it once was.

A motion was made by Councilman Kerth and seconded by Councilwoman Hammond to close the hearing and continue to October 20, 1998 for findings. The motion passed 9-0 with a roll call vote.

Valerie Burrowes, City Clerk, read into the record that another objection letter had been received, written by Mary Hearst on behalf of Fern Hearst.

12.0 SHRA Public Hearings [in conjunction with City Council]

12.1 Joint hearing on the proposed fourth amendment of the Oak Park Redevelopment Plan [D-5]

If no written protests are received regarding the proposed amendment:

- A. Adopt rules governing participation and preferences by property owners and business occupants in the Oak Park Redevelopment Project;
- B. Approve and adopt a negative declaration for the proposed fourth amendment to the Redevelopment Plan for the Oak Park Redevelopment Project;
- C. Find that significant blight remains within the Oak Park Redevelopment Project Area which cannot be eliminated without the establishment of additional debt, and approve the fourth amendment to the Redevelopment Plan for the Oak Park Redevelopment Project.

OR

If written objections are received regarding the proposed amendment:

- D. Continue to October 20, 1998 for findings

A motion was made by Councilwoman Hammond and seconded by Councilman Kerth to close the public hearing and adopt the resolutions. It passed 9-0 with a roll call vote. It will come back on October 20, 1998 for final action.

RESOLUTION NO. RA98-046

ADOPTING RULES GOVERNING PARTICIPATION AND PREFERENCES BY PROPERTY OWNERS AND BUSINESS OCCUPANTS IN THE OAK PARK REDEVELOPMENT PROJECT

RESOLUTION NO. RA-047

APPROVING AND ADOPTING A NEGATIVE DECLARATION FOR THE FOURTH AMENDMENT TO THE REDEVELOPMENT PLAN FOR THE OAK PARK REDEVELOPMENT PROJECT

RESOLUTION NO. RA-048

FINDING THAT SIGNIFICANT BLIGHT REMAINS WITHIN THE OAK PARK REDEVELOPMENT PROJECT AREA WHICH CANNOT BE ELIMINATED WITHOUT THE ESTABLISHMENT OF ADDITIONAL DEBT AND APPROVING THE FOURTH AMENDMENT TO THE REDEVELOPMENT PLAN FOR THE OAK PARK REDEVELOPMENT PROJECT

- 12.2 Joint hearing on the proposed fifth amendment of the Del Paso Heights Redevelopment Plan [D-2]

If no written objections are received regarding the proposed amendment:

- A. Adopt rules governing participation and preferences by property owners and business occupants in the Del Paso Heights Redevelopment Project;
- B. Approve and adopt a negative declaration for the proposed fifth amendment to the Redevelopment Plan for the Del Paso Heights Redevelopment Project;
- C. Find that significant blight remains within the Del Paso Heights Redevelopment Project Area which can not be eliminated without the establishment of additional debt, and approve the fifth amendment to the Redevelopment Plan for the Del Paso Heights Redevelopment Project

OR

If written objections are received regarding the proposed amendment:

- D. Continue to October 20, 1998 for findings
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A motion was made by Councilman Kerth and seconded by Councilwoman Hammond to close the hearing and continue to October 20, 1998 for findings. The motion passed 9-0 with a roll call vote.

13.0 COUNCIL IDEAS AND QUESTIONS

None

14.0 CITIZENS ADDRESSING COUNCIL AGENCY OR AUTHORITIES BY PERSONAL APPEARANCE OR TELEPHONICALLY ON MATTERS NOT ON THE AGENDA

14.1 Jeff called about renters in the South Natomas area not being able to afford rents.

15.0 ANNOUNCEMENTS

None

ADJOURNMENT

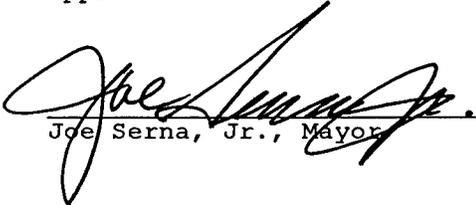
There being no further business to come before the Council, the meeting was adjourned at 8:50 p.m.

Submitted



Valerie A. Burrowes, City Clerk

Approved



Joe Serna, Jr., Mayor