



REPORT TO COUNCIL

City of Sacramento

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www. CityofSacramento.org

STAFF REPORT
February 2, 2010

Honorable Mayor and
Members of the City Council

Title: Sustainable Strategies Catalyst Project Applications

Location/Council District: Railyards, River District and Curtis Park/Districts 1 and 5

Recommendation: Adopt a **Resolution** 1) Authorizing the submission of applications for the Catalyst Project Designation under the California Sustainable Strategies Pilot Program for the Railyards, Township 9 and Curtis Park Village Projects.

Contact: David Kwong, Planning Director, (916) 808-2691; Desmond Parrington, AICP, Infill Coordinator, (916) 808-5044; Patti Bisharat, Director of Government Affairs, 808-5704; and John Dangberg, Assistant City Manager, 808-5704

Presenter: Desmond Parrington, AICP, Infill Coordinator

Departments: Community Development Department and City Manager's Office

Divisions: Planning and Government Affairs

Organization No: 21001224 and 02001021

Description/Analysis

Issue: In order to promote infill development, job-creation and the development of affordable housing, City staff proposes to submit three applications on behalf of the Railyards, Township 9 and Curtis Park Village to the California Sustainable Strategies Pilot Program. The program is designed to support large urban infill projects that promote sustainability and can serve as a model for other projects in California. This program will provide priority status for only six projects in California and the "catalyst project" designation is expected to give them an advantage in obtaining State and Federal grants in the near future. Staff is seeking Council authorization to apply to the State Department of Housing and Community Development (HCD) for such designation on behalf of these three projects.

The Catalyst Program requires regular reporting on the development status of each project on key sustainability measures including greenhouse gas

emissions, travel data, and detailed land use data. Since no funding has yet been identified, there is currently no financial match required by the local jurisdiction. However, the City must commit to identify and address regulatory barriers to these types of transformative projects in order to facilitate housing and job development, which are set out in the City's Infill Strategy.

Policy Considerations: An application to the State's California Sustainable Strategies Pilot Program is consistent with the 2030 General Plan, the City's Infill Strategy and supports the City's 2005-2008 Strategic Action Plan goal of expanding economic development opportunities throughout the City.

Environmental Considerations:

California Environmental Quality Act (CEQA): Not a project under CEQA.

Sustainability Considerations: An application to the State's California Sustainable Strategies Pilot Program fosters sustainability by supporting infill and economic development in Sacramento. This program is specifically designed to support sustainable projects by providing incentives to mixed-use infill development that combine housing, office and retail development near transit.

Committee/Commission Action: Not applicable.

Rationale for Recommendation: This will help the City attract additional resources for important infill projects.

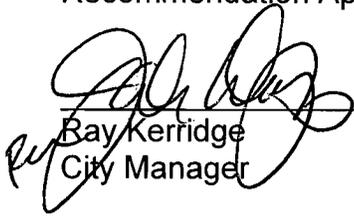
Financial Considerations: No City revenue is required for this grant application and no additional City funds would be needed if one or all of the City applications are chosen as catalyst projects.

Emerging Small Business Development (ESBD): Not applicable

Respectfully Submitted by: 
David Kwong
Planning Manager

Approved by: 
David Kwong
Acting Community Development Director

Recommendation Approved:



Ray Kerridge
City Manager

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Attachment 1**Background**

On December 17, 2009, the State Department of Housing and Community Development (HCD) issued a request for proposals (RFP) for a new pilot incentive program for large infill projects that support the goals of SB 375 (Statutes of 2008) and AB 32 (Statutes of 2006). The California Sustainable Strategies Pilot Program will provide priority status for six "Catalyst Projects" in California which is expected to give them an advantage in obtaining State and Federal grants in the near future. Only jurisdictions can apply and applications are due February 11, 2010.

The program is limited to large mixed-use infill projects with 250 or more housing units including affordable housing and job-creation. Currently, only three development projects in the City meet the criteria: the Railyards, Township 9, and Curtis Park Village. As a result, the City is seeking authorization to apply for all three projects in order to promote development, affordable housing and job creation in Sacramento. Combined these projects at buildout will provide almost 15,000 new housing units of which over 2,000 will be affordable to lower-income households. In addition, thousands of permanent jobs will be created due to the office and retail development associated with these projects. All projects include or are located adjacent to light rail stations or transit centers.

Only six projects will be selected as Catalyst Projects in communities throughout California. The program seeks to support the development of sustainable communities and test innovative strategies designed to increase the housing supply, including affordable housing; foster a better jobs-housing ratio; stimulate job creation and retention; enhance transportation choices; preserve open space and agricultural resources; promote public health; address blighted properties; reduce green house gas emissions and increase energy conservation and independence.

If one or more of our projects is selected as a Catalyst Project, the Program is expected to help leverage public and private financial resources including State and federal funds. Having designated Catalyst Projects will help the State compete for any new federal initiatives resulting from the federal Department of Transportation, Housing and Urban Development and Environmental Protection Agency's Partnership for Sustainable Communities.

Once projects are selected and even before any funding is made available, the program does require detailed reporting on the sustainability strategies of each project including such measures as transportation/travel data, greenhouse gas emissions, land use data, housing data, and employment information. Staff expects all three projects to be very competitive for this new program. It is expected that only one project per Council of Governments area will be selected. Scoring and prioritization will be handled by HCD and its inter-agency review committee.

RESOLUTION NO. 2010-_____

Adopted by the Sacramento City Council

**AUTHORIZING SUBMISSION OF APPLICATIONS
FOR THE CATALYST PROJECT DESIGNATION UNDER THE
CALIFORNIA SUSTAINABLE STRATEGIES PILOT PROGRAM
FOR THE RAILYARDS, TOWNSHIP 9 AND CURTIS PARK VILLAGE PROJECTS**

BACKGROUND

- A. On December 17, 2009, the State Department of Housing and Community Development (HCD) issued a request for proposals for a new pilot incentive program for large infill projects.
- B. The California Sustainable Strategies Pilot Program will provide an advantage to designated Catalyst Projects in obtaining future State and Federal grants.
- C. Only large mixed-use infill projects with 250 or more housing units including affordable housing and job-creation are eligible to apply to be designated a Catalyst Project.
- D. The Railyards is one of the largest mixed-use, transit-oriented infill development projects in the United States that will ultimately include approximately 12,000 housing units, of which 15 percent will be affordable. This project redevelops a 240-acre brownfield site in downtown Sacramento and includes a new light rail station along 7th Street, as well as expansion of the Sacramento Intermodal Transportation Facility which brings together light rail, commuter rail, and bus transit services.
- E. Township 9 is a mixed-use, transit oriented development infill project located within the River District that will include 2,350 housing units, of which 178 will be affordable units, as well as almost 1 million square feet of office and retail space near the new Richards Blvd light rail station. This project involves the redevelopment of a 65-acre industrial site with high density infill development that will be one of the few projects in the Sacramento region designed and built to meet the LEED-Neighborhood Design requirements, thereby conserving energy and promoting a walkable vibrant center.
- F. Curtis Park Village is a mixed-use, transit oriented development infill project that includes 527 housing units, of which 90 are senior affordable units, as well as retail and office space near two existing light rail stations. This project involves the redevelopment of a 72-acre brownfield site, which is surrounded by existing neighborhoods, with a range of housing types affordable to all income levels, shopping, and local office space.

- G. These projects meet the criteria of a Catalyst Project under the California Sustainable Strategies Pilot Program by: (i) remediating existing toxic contamination, (ii) developing a range of housing and shopping opportunities, (iii) increasing the supply of affordable housing, (iv) creating thousands of new jobs adjacent to housing and promoting public transit use, thereby reducing greenhouse gas emissions, (v) providing additional parks and open spaces, and (vi) fostering job-creation and economic development; all of which will help revitalize downtown Sacramento, the River District and the Curtis Park neighborhood.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. Staff is hereby authorized and directed to submit applications to the Department of Housing and Community Development for the California Sustainable Strategies Pilot Program in order to seek a Catalyst Project designation for the Railyards, Township 9 and Curtis Park Village projects.