

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

REGULAR MEETING

November 18, 1997

CALL TO ORDER

The Regular Meeting of the Sacramento City Council was called to order by Vice Mayor Kerth at 2:08 p.m. on the above date in the City Council Chamber located at 915 I Street.

ROLL CALL

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

**Absent:** None (Mayor Serna arrived at 2:12 p.m.)

1.0 CONSENT CALENDAR (Items 1.1 through 1.8) except Item 1.4

A motion was made by Councilmember Pannell, seconded by Councilmember Fargo, to waive the reading and adopt the Consent Calendar, Items 1.1 through 1.8, except Item 1.4 which was pulled for separate consideration. The motion carried with a 9-0 vote.

Public Review Items - Informational Only

None

Sacramento Housing and Redevelopment

None

City Council

- 1.1 Ordinance amending Title 1 [General Provisions] of the Sacramento City Code, Section 1.01.070(D)(3), and (D)(4) of the Administrative Penalties Ordinance. (Law & Legislation 10-7-97; PFP'd 11-4-97, item 1.5) (D-All)

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Adopted Ordinance 97-065.

ORDINANCE NO. 97-065

AN ORDINANCE AMENDING CHAPTER 1, SECTION  
1.01.070 (d)(3), AND (d)(4) OF THE  
ADMINISTRATIVE PENALTIES ORDINANCE OF THE  
SACRAMENTO CITY CODE

- 1.2 Sidewalk French Drains (PN:WG86), located in the Pocket Area - approve plans and specifications, award contract to Biondi Paving for an amount not to exceed \$218,517.00, and transfer funds. (D-7)
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Adopted Resolution 97-631 awarding Contract 97-183.

RESOLUTION NO. 97-631

RESOLUTION APPROVING TRANSFER OF FUNDS AND AUTHORIZING THE CITY MANAGER AND CITY CLERK TO SIGN AND EXECUTE A CONTRACT WITH BIONDI PAVING FOR THE SIDEWALK FRENCH DRAINS PROJECT (PN:WG86) FOR AN AMOUNT NOT TO EXCEED \$218,517.

- 1.3 Annexation of a portion of 38th Street and P Street into the U.C.D. Medical Center Residential Permit Parking Area, located 38th Street from Folsom Boulevard to the light rail tracks and P Street from 38th Street to 39th Street. (D-3)
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Adopted Resolution 97-632.

RESOLUTION NO. 97-632

A RESOLUTION ANNEXING A PORTION OF CERTAIN STREETS TO THE U.C.D. MEDICAL CENTER RESIDENTIAL PERMIT PARKING AREA

- 1.4 Update granting of citation and arrest authority to certain employees within the On-Street Parking and Animal Care Services Division of the Department of Public Works for the purpose of enforcing certain provisions of the City Code or state law. (D-All)
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This item was pulled for modification of the title verbiage by City Attorney Jackson, who advised that, as written, the word "or" must be changed to "and", which would make the item acceptable for passage today. The amendment to the resolution was made.

A motion was made by Councilmember Waters, seconded by Councilmember Fargo, to adopt Resolution 97-633, as amended. The motion carried with a 9-0 vote.

AMENDED RESOLUTION NO. 97-633

RESOLUTION GRANTING CITATION AND ARREST AUTHORITY TO CERTAIN EMPLOYEES WITHIN THE ANIMAL CARE AND CONTROL DIVISION OF THE DEPARTMENT OF PUBLIC WORKS FOR THE PURPOSE OF ENFORCING CERTAIN PROVISIONS OF THE CITY CODE AND STATE LAW

- 1.5 Amendment to Contract Number 89-110 with the Public Employees' Retirement System (PERS). (PFP'd 10/28/97, item 1.4) (D-All)
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Adopted Ordinance 97-066.

ORDINANCE NO. 97-066

AN ORDINANCE AUTHORIZING AN AMENDMENT TO CONTRACT NO. 89110 BETWEEN THE CITY COUNCIL OF THE CITY OF SACRAMENTO AND THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

- 1.6 Gateway Oaks Phase IV Office Buildings (P97-073), located east of Venture Oaks Way and west of Interstate 5 - approve agreement to pay SNCIF (South Natomas Community Improvement Fund) fees in lieu of FBA (Facilities Benefit Assessment) fees for an 84,000 square foot office building.  
(D-1)

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Adopted Resolution 97-634 approving Agreement 97-177.

RESOLUTION NO. 97-634

A RESOLUTION RELATING TO THE APPROVAL OF AN AGREEMENT BETWEEN THE CITY OF SACRAMENTO AND SPIEKER PROPERTIES, LP AND SACRAMENTO PROPERTIES HOLDING COMPANY TO ACCEPT PAYMENT OF SOUTH NATOMAS COMMUNITY INFRASTRUCTURE FUND FEES IN-LIEU OF A REQUIREMENT FOR ANNEXATION TO THE SOUTH NATOMAS FACILITIES BENEFIT ASSESSMENT DISTRICT FOR PROPERTY LOCATED EAST OF VENTURE OAKS WAY AND WEST OF INTERSTATE 5, KNOWN AS "GATEWAY OAKS PHASE IV OFFICE BUILDING" (P97-073) APN:274-0320-032

- 1.7 Wholesale water agreement with Citizens Utilities Company of California for their Southgate Service Area. (located outside the City limits)

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Adopted Resolution 97-635 approving Agreement 97-178.

RESOLUTION NO. 97-635

RESOLUTION AUTHORIZING THE CITY MANAGER TO SIGN AN AGREEMENT WITH CITIZENS UTILITIES COMPANY OF CALIFORNIA TO SUPPLY WHOLESALE WATER TO THEIR SOUTHGATE SERVICE AREA

- 1.8 Sacramento Marina Boat Broker - authorization to negotiate and lease property without competitive bidding. (D-4)

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Adopted Resolution 97-636.

RESOLUTION NO. 97-636

SACRAMENTO MARINA BOAT BROKER - NOTICE OF INTENT TO NEGOTIATE AND LEASE CITY PROPERTY WITHOUT COMPETITIVE BIDDING

2.0 SPECIAL PRESENTATIONS/GENERAL COMMUNICATIONS

None

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### 3.0 PUBLIC HEARINGS

- 3.1 Abandonment No. AP97-03 - alley bounded by 18th Avenue, 19th Avenue, 36th Street and 38th Street (Resolution of Intent adopted 10/28/97, item 1.1, continued from 11/4/97, item 3.1 [Hammond]). (D-5)

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Ron Perry, Engineering Technician, Public Works, presented a brief report.

The Neighborhoods, Planning and Development Services Department, on behalf of the adjoining property owners, has requested that this portion of the alley be abandoned to assist in curbing illegal activities. (For background information, see staff report).

There was no discussion on this item.

A motion was made by Councilmember Hammond, seconded by Councilmember Kerth, to close the hearing and adopt Resolution 97-637. The motion carried with a 90 vote.

#### RESOLUTION NO. 97-637

RESOLUTION ADOPTING FINDINGS OF FACT AND APPROVING THE ABANDONMENT OF A PORTION OF AN ALLEY BOUNDED BY 18TH AVENUE, 19TH AVENUE, 36TH STREET AND 38TH STREET

ABANDONMENT PROCEEDINGS NO. AP#97-03

\*\*\*\* Note: Item 5.2 was heard here out of sequence.

- 3.2 Zoning ordinance amending Section 8-C-8-c of the Comprehensive Zoning Ordinance of the City of Sacramento, Ordinance No. 2550, Fourth Series, as amended, relating to Planning Commission authority to amend guidelines in Planned Unit Developments (related to height and setback) and Schematic Plan Amendments (related to square footage) (Law and Legislation 8/7/97; PFP'd 7/29/97, item 1.4; continued from 9/30/97 {staff}) (M97-016). (D-All)

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Scot Mende, Senior Planner, presented the report.

Councilmember Hammond asked whether this action would reduce the number of call-ups? Mr. Mende replied that it will fix some of the call-up errors, in that it improves call-up notifications.

Councilmember Fargo suggested that Mr. Mende send City Council the new call-up form, saying that it is much clearer than the old one.

A motion was made by Councilmember Fargo, seconded by Councilmember Cohn, to close the hearing and adopt Ordinance 97-067. The motion carried with an 8-0 roll call vote, with Councilmember Hammond being absent.

#### ORDINANCE NO. 97-067

AN ORDINANCE AMENDING SECTION 8-D-8-c OF THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF SACRAMENTO, ORDINANCE NO. 2550, FOURTH SERIES, AS AMENDED, RELATING TO PLANNING COMMISSION AUTHORITY TO AMEND GUIDELINES IN PLANNED UNIT DEVELOPMENTS (M97-016)

- 3.3 *Lu (JCPA) Rezone*, located at the SE corner of Bruceville Road and Shasta Avenue within the Jacinto Creek Planning Area - various matters regarding subdivision of an existing parcel (PFP'd 11/4/97, item 1.4)  
(P93-144): (D-8)  
A. adopt Mitigation Monitoring Plan  
B. Rezone of 10+ acres from Multiple Family Review (R-2A{R}) to 3.1+ acres of Office Building (OB) and 5.9+ acres of Multiple Family Review (R-2B{R})
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There was no discussion on this item.

A motion was made by Councilmember Pannell, seconded by Councilmember Kerth, to close the hearing, adopt Resolution 97-638, and Ordinance 97-068. The motion carried with a 9-0 roll call vote.

RESOLUTION NO. 97-638

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SACRAMENTO ADOPTING THE ATTACHED MITIGATION MONITORING PLAN FOR THE LU REZONE, LOCATED AT THE SOUTHEAST CORNER OF BRUCEVILLE ROAD AND SHASTA AVENUE WITHIN THE JACINTO CREEK PLANNING AREA (JCPA). (P93-144) (APN:117-0202-038-0000)

ORDINANCE NO. 97-068

ORDINANCE AMENDING THE DISTRICTS ESTABLISHED BY THE COMPREHENSIVE ZONING ORDINANCE NO. 2550, FOURTH SERIES, AS AMENDED, BY REMOVING 10+ VACANT ACRES OF PROPERTY, ON THE SOUTHEAST CORNER OF BRUCEVILLE ROAD AND SHASTA AVENUE WITHIN THE JACINTO CREEK PLANNING AREA, FROM THE MULTIPLE FAMILY REVIEW (R-2A{R}) ZONE AND PLACING 3.1+ ACRES IN THE OFFICE BUILDING (OB) ZONE AND 5.9+ ACRES IN THE MULTIPLE FAMILY REVIEW (R-2B{R}) ZONE. (P93-144) (APN:117-0202-038-0000)

- 3.4 *Coral Business Center Hotel Rezone and PUD Amendments (P97-026)*, located at the northeast corner of Truxel Road and the East Drain (North Natomas) - various matters regarding development of a hotel and retail uses: (PFP'd 11/4/97, item 1.3) (D-1)  
A. ratify the Negative Declaration  
B. approve the Mitigation Monitoring Plan  
C. ordinance approving the rezone of 25.1+ acres from Manufacturing Industrial Park-Planned Unit Development (MIP-PUD) to 4.6+ acres Employment Center-80 (80 employees per net acre)-PUD (EC-80-PUD) and 20.5+ acres EC-50-PUD  
D. approve the amendment of the Coral Business Center PUD Schematic Plan to allow a hotel use and other retail uses, as well as office uses, on Parcel #1 of the PUD, and  
E. approve the amendment of the Coral Business Center PUD Guidelines to add development guidelines for the proposed hotel and retail uses on Parcel #1 of the PUD
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Carol Shearly, Associate Planner, presented the report.

On December 11, 1990, the City Council adopted the Coral Business Center PUD and related Special Permits to allow the Coca-Cola Bottling Facility on the southern parcel, Parcel #1; the Raley's Distribution Center on Parcel #2; and office uses on the northern parcel, Parcel #3. The Raley's Distribution Center was built, and subsequently

expanded. On August 11, 1994, the Planning Commission approved a PUD Schematic Plan Amendment to reverse the location of the Coke Bottling Facility and the office uses. The Coca-Cola facility was built on Parcel #3.

Ms. Shearly advised that currently the applicant is proposing to develop hotel, retail, and office uses on the southern parcel of the PUD, located at the northeast corner of Truxel Road and the East Drain. The necessary entitlements include a rezone to EC-80 and EC-50 to be consistent with the 1994 NNCP, an amendment of the PUD Schematic Plan and Guidelines to allow a hotel and other retail uses, as well as office uses, on Parcel #1, and a tentative map to subdivide Parcel #1 into two lots, one for the hotel and the other for the retail and office uses. No Special Permit was submitted for any of the proposed uses on the site. A Special Permit is required prior to any development of the site.

Ms. Shearly noted that the project is located near the light rail station; the hotel is business-traveler oriented, not competitive with the Convention Center hotel business.

Councilmember Fargo urged approval of this issue, saying it was non-controversial. Ms. Fargo expressed some concerns earlier regarding the number of hotel rooms (800) which have been approved outside the Downtown area; she advised that she had received assurance that these 800 rooms would serve a different clientele.

Peggy Bohl, representing Coca Cola and Raley's, expressed her thanks to City Council on behalf of both companies.

A motion was made by Councilmember Fargo, seconded by Councilmember Kerth, to close the hearing; (A) adopt staff recommendation; (B) adopt Resolution 97-639; (C) adopt Ordinance 97-069; (D-E) adopt Resolution 97-640. The motion carried with a 9-0 roll call vote.

RESOLUTION NO. 97-639

RESOLUTION TO APPROVE THE MITIGATION MONITORING PLAN FOR CORAL BUSINESS CENTER HOTEL - REZONE FROM MIP-PUD TO EC-80-PUD AND EC-50-PUD; PUD AMENDMENTS TO ALLOW A HOTEL, RETAIL, AND OFFICE USES ON PARCEL #1 OF THE PUD; AND A TENTATIVE MAP TO SUBDIVIDE ONE LOT INTO TWO LOTS LOCATED AT THE NORTHEAST CORNER OF TRUXEL ROAD AND THE EAST DRAIN IN THE NORTH NATOMAS COMMUNITY PLAN AREA. (P97-026)  
(APN:225-0160-067)

ORDINANCE NO. 97-069

AN ORDINANCE AMENDING THE DISTRICTS ESTABLISHED BY THE COMPREHENSIVE ZONING ORDINANCE NO. 2550, FOURTH SERIES, AS AMENDED, BY REMOVING PROPERTY LOCATED AT THE NORTHEAST CORNER OF TRUXEL ROAD AND THE EAST DRAIN IN THE NORTH NATOMAS COMMUNITY PLAN AREA FROM THE MANUFACTURING INDUSTRIAL PARK - PLANNED UNIT DEVELOPMENT (MIP-PUD) ZONE AND PLACING THE SAME IN THE EMPLOYMENT CENTER-80 (80 EMPLOYEES PER NET ACRES)-PUD AND EMPLOYMENT CENTER-50-PUD ZONES OR MORE RESTRICTIVE ZONES (P97-026)  
(APN:225-0160-067)

RESOLUTION NO. 97-640

RESOLUTION TO APPROVE THE AMENDMENT OF THE PLANNED UNIT DEVELOPMENT (PUD) SCHEMATIC PLAN AND GUIDELINES OF THE CORAL BUSINESS CENTER PUD TO ALLOW A HOTEL AND RETAIL USES, AS WELL AS OFFICE USES, ON PARCEL #1 OF THE PUD LOCATED AT THE NORTHEAST CORNER OF TRUXEL ROAD AND THE EAST DRAIN IN NORTH NATOMAS (P97-026)  
(APN:225-0160-067)

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4.0 STAFF REPORTS

- 4.1 Maintenance and Repair of Sidewalks, Curbs and Gutters (JN: 8018/8019)  
- approve plans and specifications and accept the negotiated unit prices with: (item withdrawn 11-4-97, item 1.8) (D-All)
- A. Franklin T. Gassaway & Sons, Inc.
  - B. BRW Concrete
  - C. Hauschildt Concrete
  - D. G & G Concrete
  - E. Zellers Concrete

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Greg Hovious, Contract Officer, presented the report.

At the November 4, 1997 Council meeting, Mr. Michael Justice from Sacramento Builders Exchange questioned the licensing of three of the contractors proposed for award of these contracts. Staff had checked the license status prior to recommending award and rechecked after Mr. Justice expressed his concerns. All five have state contractors licenses that are active and in good standing. Mr. Hovious advised that information concerning contractor status is available on-line.

Councilmember Hammond asked if there was an available list of sidewalks to be repaired? Mr. Hovious responded that this was done on an on-call basis; work to be done is referred to Barry Bates, Street Division Manager.

Councilmember Waters remarked that he was upset regarding Mr. Justice's questioning of staff's decision regarding the status of contractors; he asked why this occurred? Mr. Justice replied that "Zellers" was misspelled and should have been "Zellars"; the other point questioned was that one of the companies was borderline, regarding a workers' compensation issue.

Councilmember Pannell spoke in support of staff's work, expressing displeasure that the awarding of the contract was delayed because of this unwarranted action by Mr. Justice.

Mayor Serna pointed out that it was an honest mistake, not an intentional delay, and noted that the contract awarded funds for work which was not yet scheduled, so there was no delay caused to an actual project.

A motion was made by Councilmember Pannell, seconded by Councilmember Yee, to (A) award Contract 97-184; (B) award Contract 97-185; (C) award Contract 97-186; (D) award Contract 97-187; and (E) award Contract 97-188. The motion carried with a 6-0 roll call vote, with Councilmembers Cohn, Fargo, and Kerth being absent.

- 4.2 Ordinance amending Title 37 [Smoking Pollution Control] of the Sacramento City Code, adding Chapter 37.03, prohibiting self-service merchandising of tobacco products. (Law & Legislation 10-21-97; PFP'd 11-4-97, item 1.13) (D-All)

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Max Fernandez, Director Area 3, Neighborhoods, Planning , and Development Services Department presented the report.

In early 1997, the Board of Supervisors of Sacramento County enacted an ordinance prohibiting self-service merchandising of tobacco products, with a limited exception permitting self-service merchandising if the products are located within 8 feet, and in the direct line of vision of an employee of the business. The objective of the regulation is to reduce the availability of tobacco products to minors. It has been reported that shoplifting of self-service tobacco products is the primary source of cigarettes for as many as 10% of all minors who smoke.

The proposed ordinance would:

- \* make it unlawful for any business to sell tobacco products by means of self-service merchandising.
- \* require all tobacco products to be located so that an employee of the business must assist the purchaser to take possession of the tobacco product.
- \* contain an exception which allows purchasers to take possession of tobacco products prior to purchase if those tobacco products are under the direct and continuous surveillance of an employee of the business and located no more than eight feet from a regular work station of an employee. This exception was requested by the Retail Grocers' Association during the County hearings on this ordinance.

Enforcement of the ordinance would be coordinated by the Chief of Code Enforcement, consistent with available resources in the existing enforcement budgets, emphasizing informational activities to notify and educate tobacco retailers concerning the provisions of the ordinance.

Councilmember Steinberg noted that the controversy at the County was over the exception requested by the Grocers' Association. Mr. Steinberg stressed the need to carefully monitor the results over the next year.

Mayor Serna clarified that the ordinance applies to any retail establishment. Mr. Steinberg noted that a number of stores are already complying voluntarily; it is necessary to include all, in order to be consistent.

Councilmember Pannell observed that many stores have already removed tobacco products voluntarily.

A motion was made by Councilmember Pannell, seconded by Councilmember Steinberg, to adopt Ordinance 97-070. The motion carried with a 7-0 roll call vote, with Councilmembers Cohn and Kerth being absent.

ORDINANCE NO. 97-070

AN ORDINANCE ADDING CHAPTER 37.03 TO THE  
SACRAMENTO CITY CODE PROHIBITING SELF-  
SERVICE MERCHANDISING OF TOBACCO PRODUCTS



4.3 Combined Sewer Improvement Project - Federal funding. (D-All)

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Jim Sequeira, Director, Utilities, presented a brief report.

Mr. Sequeira noted that Congress has passed and the President has signed into law the U.S. Environmental Protection Agency's (EPA) fiscal year 1998 budget, and spending measures include \$3 million for EPA and \$500,000 for the Army Corps of Engineers to assist the City in the upgrade of our Combined Sewer System.

Mr. Sequeira recognized the efforts of Representatives Matsui, Fazio, and Lewis as well as Senators Boxer and Feinstein, through which the City was able to obtain \$3 million in grant funding to help support the first phase of the Combined Sewer System Improvement Program. It is important to recognize that Senator Diane Feinstein strongly endorsed this project with her colleagues on the Senate Appropriations Committee.

Mr. Sequeira also expressed his thanks to Councilmember Fargo and Gary Ransom, as well as Mr. Freshman, our advocate(s) in Washington, D.C. In particular, Ms. Fargo was instrumental in convincing Congressional staff of the importance of the project and the need for Federal funding.

For Council information; received and filed.

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5.0 SHRA

Public Hearing

- 5.1 State Enterprise Zone Program Changes and Employment Opportunities for Low Income Persons and Workers Dislocated From Employment, Amendment of 1997 Community Development Block Grant Plan and Amendment of Agency Budget. (D-1,2,5,6 & 8)
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Eve Silverman, Enterprise Zone Coordinator, Economic Development Assistance, SHRA, presented the report, which summarizes legislative changes to the State Enterprise Zone program, prioritizes the employment opportunities to be made to low-income and dislocated workers, links economic development efforts to a coordinated employment system, reprograms \$17,578 in City CDBG funds for Enterprise Zone employment, and tax credit vouchering services to be provided by SETA/PIC.

Until 1997, the State administered two types of Enterprise Zone programs collectively referred to as "Enterprise Zones", but termed Employment and Economic Incentive Areas or Enterprise Zones. Sacramento had both types of zones and Sacramento Housing & Redevelopment Agency (SHRA) administered them on behalf of the City and County. Florin/Perkins and Northgate/Norwood were Employment and Economic Incentive Areas and the Sacramento Army Depot was an Enterprise Zone. (Attachment I).

Both zones provided State tax incentives to promote economic development in distressed commercial/industrial area and the hiring of individuals under-served by employment opportunities. However, the way in which companies earned hiring credits differed (Attachment II).

There was confusion regarding the two programs; last year the State Legislature combined the two types of zones into one new Enterprise Zone program. This consolidation was to reduce the confusion between the two types of zones and combine the best of both programs. Once

the 1997 income or taxable year began for businesses, the new Enterprise Zone program would become effective and all programs would have the same criteria. However, the local jurisdiction would be responsible for determining the manner in which hiring tax credits would be applied.

By legislation, employers could qualify for hiring tax credits in two ways: 1) by employing low-income persons and dislocated workers, and 2) employing persons residing in targeted employment areas (TEAS), which are specific census tracts that are certified as low-income.

Staff recommends that eligibility for tax credits should remain targeted exclusively to persons who are low-income or who have been dislocated from employment. TEAS may not be contiguous within economically disadvantaged areas, leading to unequal delivery of services. For example, portions of Meadowview and Del Paso Heights may contain TEA-eligible areas, but the neighborhood as a whole may not be designated as a TEA. This would result in one part of the neighborhood being treated differently than another.

Staff also recommends that tax credit eligible applicants be linked to the coordinated efforts being established county-wide to serve persons through the employment program operators and Sacramento Works Career Centers, facilitated by SETA/PIC (Attachment III). The Career Centers consist of a collaborative effort of 41 government, employment/training program operators and community agencies to integrate academic, vocational and social services with job training and employment. Funding to SETA/PIC in the amount of \$35,156 (\$17,578 each from the City and the County) will be reprogrammed from 1997 CDBG allocations to facilitate and implement these activities. The Scope of Services is provided as Attachment IV.

Councilmember Steinberg expressed concern that eliminating TEAS would not eliminate any people who would be eligible in those target areas. Ms. Silverman responded that the main issue is not the credit, but outreach to low-income people. Mr. Steinberg commented that the point was basically to eliminate people who live in TEAS, but do not need assistance, then.

A motion was made by Councilmember Steinberg, seconded by Councilmember Hammond, to close the hearing and adopt Resolution 97-641. The motion carried with a 7-0 vote, with Councilmembers Cohn and Pannell being absent.

#### RESOLUTION NO. 97-641

#### ENTERPRISE ZONE EMPLOYMENT PRIORITIES SETA CONTRACT; AMENDMENT OF 1997 CDBG PLAN AND AGENCY BUDGET

\*\*\*\* Note: Item 5.2 was heard out of sequence following Item 3.1.

- 5.2 Job Creation Initiative with the Sacramento Valley Organizing Community (SVOC) Affordable Homes - amend CDBG Plan, Statement of Objectives and budget for Child Care Provider in the Fruitridge Area. (D-5)

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Cassandra Jennings, Director, Economic Development, SHRA, presented a brief report.

SVOC is a non-profit corporation which seeks to provide affordable housing, employment, training, and other economic opportunities as a means to assist very low-income residents of Sacramento communities reach self-sufficiency. Although SVOC has been known as a provider of affordable housing, it has been developing means to create worker

cooperatives and other projects that can generate jobs.

In June 1997, the SVOC unveiled its conceptual framework to develop child care centers for the children of welfare recipients in the neighborhoods of North Highlands, Del Paso Heights, Oak Park, Fruitridge, Stockton Boulevard and Meadowview, using churches as part of the infrastructure to deliver services.

As part of this initiative, SVOC would also provide training and employment opportunities to the parents of those children. Targeted industries include the child care industry itself, construction, and economic sectors suitable for micro enterprise development. Further, to build equity in the future of participating families, SVOC would provide affordable housing opportunities that include individual development accounts or match savings accounts.

There was no discussion on this item.

A motion was made by Councilmember Pannell, seconded by Councilmember Steinberg, to close the hearing and adopt Resolution 97-642. The motion carried with a 9-0 vote.

RESOLUTION NO. 97-642

AMENDMENT OF COMMUNITY DEVELOPMENT BLOCK  
GRANT CONSOLIDATED PLAN AND STATEMENT OF  
OBJECTIVES AND BUDGET AMENDMENT TO  
ESTABLISH A NEW CHILD CARE PROVIDER IN THE  
FRUITRIDGE AREA TO ASSIST IN WELFARE TO  
WORK TRANSITION

Staff Report

5.3 Southside Park First-Time Home Buyer Program: (D-4)

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Alberto Esquivel, Program Manager, Housing Development, SHRA presented the report.

Mr. Esquivel advised that this item is in response to a request by Councilmember Yee to provide a special down payment program in the Southside Park neighborhood.

Staff recommends the establishment of the guidelines for the Southside Park First Time Home Buyer (FTHB) Program to assist buyers with qualifying income levels of up to 120 percent of median income. The proposed resolution authorizes the Executive Director to transfer \$44,166 from the Southside Acquisition Project and \$10,654 from the Southside Rehabilitation Project to the Southside FTHB Program. The funds are available in the Merged Downtown Low/Moderate Capital Projects fund.

Staff estimates that 11 loans can be funded over the next six months under the Southside Park FTHB. It will be offered exclusively in the Southside Park area; it will be used only after the regular FTHB program funds have been spent or when the home buyer's income is between 80 and 120 percent of median. (See Attachments II and III).

Councilmember Yee thanked Mr. Esquivel for the briefing and inquired as to the possibility for more funding for Southside Park. Mr. Esquivel replied that it was most likely there would be more money.

A motion was made by Councilmember Yee, seconded by Councilmember Fargo, to adopt Redevelopment Agency Resolution 97-037.

Councilmember Fargo inquired as to how Southside Park differed from the City's regular First Time Home Buyer's Program? Mr. Esquivel explained that this represents additional monies, that the regular program is Federally funded, which limits participants to 80% of median income. The demands are great; these funds are offered when other funds are not available and provide more flexibility. Ms. Fargo observed that, should anyone wish to expand to other areas of the City, separate funds other than Federal funds would be needed.

Councilmember Cohn asked whether this program was underway in other neighborhoods in the Central City, or only in Southside Park? Mr. Esquivel replied at the present time it was in that area because the funds available for transfer were already designated for the Southside Park area. Mr. Esquivel noted that tax increment funds can be used anywhere in the City. Mr. Cohn questioned, regarding income levels, whether most people in the Central City would qualify? Mr. Esquivel replied that the only issue would be the funding source.

Anne Moore, Acting Executive Director, SHRA, commented that these funds directly benefit a household, based on the eligibility of the homeowner. Mr. Cohn observed then that the idea is to target a particular area, but it is based on the individual buyer's ability to qualify as to income. Mr. Esquivel replied that the key to success in the City is the tax increment fund, because it allows a family to buy a house for about \$80,000; most homes in the Central City are higher.

Mayor Serna agreed with Councilmembers Fargo, Cohn, and Yee; he complimented staff for its efforts to increase housing opportunities.

The motion carried with a 9-0 roll call vote.

REDEVELOPMENT AGENCY RESOLUTION NO. 97-037

SOUTHSIDE PARK FIRST-TIME HOME BUYER PROGRAM

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6.0 CITIZENS ADDRESSING COUNCIL (MATTERS NOT ON AGENDA)

None

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7.0 COUNCIL IDEAS AND QUESTIONS

7.1 Mayor Serna, referring to the recent Jones & Stokes issue, stated that he wanted to see it become more difficult to rezone residential property to commercial/office use in the Central City. The Mayor directed staff to consult with City Attorney Jackson to determine what is necessary to bring back the necessary amendments to ordinances to address this issue.

Mayor Serna confirmed with Mr. Jackson that the requirement for a two-thirds vote on this issue was not currently an option because of Charter restrictions; it would be necessary to place the issue on the ballot for a Charter amendment. The Mayor suggested one option might be to require an applicant requesting a rezone to submit a plan to the Planning Commission and staff for increased ratios for housing; the Mayor was uncertain exactly what those ratios should be, perhaps set them case-by-case. The Mayor stressed that he did not want to lose residential zoning in the Central City, while recognizing the need to retain valuable businesses.

Councilmember Cohn suggested that staff bring back information regarding placing the two-thirds Charter change on the ballot.

- 7.2 Councilmember Cohn advised that a constituent of his had suggested the selling of old street signs, in lieu of recycling them as is now what the contract calls for; Mr. Cohn suggested that the old signs could be auctioned off at community events, such as Pops in the Park or other concerts.

Councilmember Pannell suggested that the City Store could sell other City items, such as old fireplugs; revenues realized could be greater than those received from recycling for scrap.

- 7.3 Councilmember Cohn advised that he was proud to participate in the Money Store recycling program yesterday, which had received State commendations for its recycling processes. Mr. Cohn noted that SMUD also recycles more than just white paper; he urged that the City follow suit, recycling colored paper as well.

- 7.4 Councilmember Cohn discussed the current restructuring within the electric industry, noting that even here in low-rate SMUD territory, some customers were signing with other providers. Mr. Cohn noted that there was concern being expressed in some cities, notably San Jose, that there are potentially large sums of money being lost in franchise fees and utility user taxes. Mr. Cohn requested that the City Manager look into the issue; he suggested that such providers be sent a "Welcome to Sacramento" letter.

- 7.5 Councilmember Pannell, responded to two of Mr. Cohn's points: 1) regarding the requirement for a two-thirds vote, Mr. Pannell disagreed with that approach, preferring the current system, which he believed works well. 2) As to the selling of signs, Mr. Pannell noted that a report back on the City Store had been requested before.

- 7.6 Councilmember Pannell requested clarification as to how a position taken by City Council is then disseminated to the lobbyist, and when that decision returns to City Council for a vote by the full body? Mr. Pannell desired to have the opportunity to provide input, should some of the Councilmembers disagree with the Law and Legislation decision.

Councilmember Fargo, Chair of Law and Legislation Committee, responded that there are a series of options; if an issue comes before Law and Legislation which is controversial, she asks that the issue be moved to full City Council.

- 7.7 Councilmember Hammond suggested to City Manager Edgar that formalized training be provided for the City Planning Commission and the Design/Review Board to apprise them of what the City Council desires to see occur in the City.

\* \* \* \* \*

- 8.0 Recessed into **CLOSED SESSION** at 3:00 p.m.

- 8.1 Pursuant to Government Code Section 54956.9(b) for matters pertaining to threatened litigation: one potential case

- 8.2 Pursuant to Government Code Section 54956.9(a) for matters pertaining to pending litigation: Tamara Durhan vs. City; Case No. 96AS05257

\* \* \* \* \*

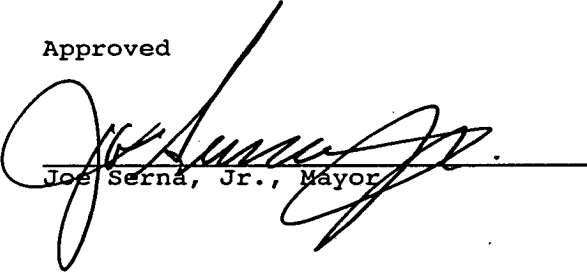
**ADJOURNMENT**

There being no further business to come before the City Council, the meeting was adjourned at the hour of 3:40 p.m.

Submitted

  
\_\_\_\_\_  
Valerie A. Burrowes, City Clerk

Approved

  
\_\_\_\_\_  
Joe Serna, Jr., Mayor