

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

OCTOBER 28, 1997

CALL TO ORDER

The Regular Meeting of the Sacramento City council was called to order by Mayor Serna at 7:00 p.m. on the above date in the City Council Chamber located at 915 I Street.

ROLL CALL

Present: Council members Cohn, Fargo, Hammond, Kerth, Pannell, Steinberg, Waters, Yee and Mayor Serna

Absent None

PLEDGE OF ALLEGIANCE was led by Boy Scout Troop 259, Greenhaven.

9.0 SPECIAL PRESENTATIONS/GENERAL COMMUNICATIONS

None

10.0 PUBLIC HEARINGS

- 10.1 Matters relating to new fees for second hand dealers, junk dealers, pawnbrokers and pallet resellers (PPF'd 10-21-97, item 1.9) (D-All)
- A. Resolution adding new fees to the Fee and Charge Report
 - B. Ordinance amending Sections 28.01.001 and 28.01.002 of the Sacramento City Code, renumbering Chapter 28.04 to Chapter 28.05, and adding new Chapter 28.04 to Title 28 of the Sacramento City Code relating to the regulation of Pallet Resellers.

Lynne Ohlson, Police Administrative Analyst, said staff had been working on this issue for the past two years, and after numerous discussions with pallet resellers and their representatives had refined the ordinance to effectively regulate the practice of reselling pallets.

Phil Isenberg, representing five pallet resellers, stated that they supported the ordinance, as revised.

Councilman Waters stated that Ms. Ohlson from the Police department and Stephanie Shimatsu from the City Attorney's office were to be congratulated for the excellent job they did with this ordinance.

Councilman Kerth congratulated staff for creating something to properly deal with the issue.

A motion was made by Councilman Waters, seconded by Councilwoman Fargo to adopt Resolution 97-609 and Ordinance 97-064 related to the regulation of pallet resellers. The motion carried with a 9-0 roll call vote.

RESOLUTION 97-609

RESOLUTION AMENDING THE CITY OF SACRAMENTO FEE AND CHARGE REPORT RELATED TO FEES FOR POLICE DEPARTMENT ACTIONS

ORDINANCE 97-064

AN ORDINANCE RENUMBERING CHAPTER 28.04 TO CHAPTER 28.06, AMENDING SECTIONS 28.01.001 AND 28.01.002, AND ADDING CHAPTER 28.04 TO THE SACRAMENTO CITY CODE, RELATING TO THE REGULATION OF PALLET RESELLERS

- 10.2 *Newton Booth Annex Office Project* - located at the South East corner of 27th and V Streets (PFP'd 9-30-97; cont'd from 10-07-97, item 10.2 [applicant]): Appeal of the Commission decision denying the various entitlements for the development of a 20,000 square foot building in the proposed OB (SPD) Zone; various entitlements for proposed project. (P97-004) (D-4)
- A. Deny the appeal and approve the Findings of Fact denying the various entitlements for the development of a 20,000± square foot building.
 - B. Ratify the Negative Declaration
 - C. Deny the Community Plan Amendment from Low Density Residential to Office
 - D. Deny the Rezone from Single Family or Two Family Special Planning District (R-1B{SPD}) to Office Building Special Planning District (OB{SPD}) zone.

Jeanne Corcoran, Associate Planner, stated that this was an appeal of the Planning Commission's decision to deny the various entitlements to develop a 20,000 square foot office building in the proposed Office Building Special Planning District zone. The Planning Commission also recommended denial of the Community Plan amendment from Low Density Residential to Office and the rezone from R-1B(SP) to OB(SP). The appeal was filed by the applicant, Kevin Pressey of McCabe-Pressey Architects. The basis of the appeal is that the project is consistent with the General Plan which designates the site Community Neighborhood Commercial and Office.

Ms. Corcoran said the proposed project presented several major policy issues such as preserving, protecting and enhancing the quality of residential neighborhoods; conserving and rehabilitating sound housing stock; preserving neighborhoods from encroachment of incompatible uses and excessive traffic; and protecting the air quality.

According to Ms. Corcoran staff attempted to work with the applicant to identify alternatives which would meet the city's and applicant's goals of preserving housing and providing additional office space. Staff explored developing the office building at the rear of the site, while preserving the existing housing units or by preserving the housing units along V Street frontage, abandoning the street and constructing the building at the rear of the housing units along V Street or possibly within the abandoned street right-of-way.

Ms. Corcoran also spoke about the option of relocating the housing units within the Central City or Oak Park, if Central City lots were not available. The final option was a joint venture with SHRA whereby housing would be developed on a residential site owned by SHRA.

Ms. Corcoran said that the Planning Commission had recommended denial of the project as it was in a fragile residential neighborhood, and residential housing would be lost.

Councilman Cohn asked if the housing on site might possibly be restored by the applicant, if the Council rejected the appeal.

Bruce Bell, representing the applicant, stated that they had met with CADA and SHRA to discuss how the housing from the subject site would be replaced in the Central city. He said that a site at 17th and N streets was currently vacant which would accommodate housing.

Councilman Waters asked Mr. Bell if the applicant would build new houses.

Mr. Bell responded yes, new houses would be built, and the current houses on the site could be re-located for a local charity.

Mr. Waters asked if the applicant would help finance the move; Mr. Bell replied yes, he would.

Councilman Yee stated that he had met with the architect early on with this project. He also asked if the owner of the homes would be willing to move them from the site.

Mr. Bell replied that the owner had done a block-by-block survey of the area to find a potential site for the houses.

Mr. Yee asked if a site could be found, would funding be provided for the move.

Mr. Bell said yes, that had been discussed.

Mr. Yee asked who would control the \$100,000 provided by the applicant for replacement housing.

Steve Peterson, Senior Planner, replied that this had not been discussed yet; also, \$100,000 might not pay the cost of replacing the housing units.

Mr. Bell replied that he would provide the substitute housing.

Mr. Yee asked about the possibility of Mr. Bell finding another existing commercial building to renovate.

Mr. Bell responded that the current site was excellent, and also had the desired parking. He said however, they did not want to negatively impact the neighborhood.

Mr. Yee asked Mr. Bell if his client would object to the money going into the "fainted ladies" fund.

Mr. Bell said he would prefer to see the money place in replacement housing rather than restoration projects.

Mr. Cohn asked Mr. Bell if the Council denied the appeal, would his client agree to restore the housing on the site.

Mr. Bell replied that he did not know what his client would do.

Mayor Serna stated that he could not agree to any rezoning agreement unless replacement housing was guaranteed.

Councilman Pannell asked staff why they had not explored this possibility; Mr. Peterson replied staff had explored it.

Mr. Pannell asked staff what their concerns were. Mr. Peterson replied staff was concerned with the impact on the neighborhood; the land use issue; housing mitigation and parking.

Mr. Pannell asked what the vote was by the Planning Commission; Ms. Corcoran replied 4-3.

Mayor Serna asked why the applicant bought the housing before insuring the rezone.

Mr. Bell replied the owners of the homes were not willing to wait for the Planning division to rezone.

Mr. Peterson stated that by rezoning this site, the City would be losing residential land. Staff wanted the applicant to use a commercial site and have it rezoned residential.

Mr. Serna said the policy of "no net loss" might be replaced with a "net gain".

Councilwoman Fargo recommended that the Council should be making decisions that stabilized neighborhoods.

Albert Herson, president of Jones and Associates and commercial residents on the site, said they wanted to expand their consulting firm. He stressed that his business was a good neighbor, with over 50 of the employees living in the midtown and walking or biking to work.

Mr. Serna replied that the City wanted to keep a good business like this in the City limits.

Public Testimony:

Dick Ratliff, representing SOCA, spoke against the project. He said this neighborhood was very vulnerable and the housing was worth approximately one half million dollars.

Karen Jacques, from Winn Park Neighborhood Association, said her neighborhood was directly adjacent to the subject property. She was concerned that this large of an office building would negatively impact the neighborhood.

Ms. Jacques spoke favorably about Jones and Stokes and said she would like to see them stay in the downtown area. However, mitigations would not work if a neighborhood was destroyed.

Anthony Cooper spoke against the project, saying that he wanted the neighborhood maintained as it was.

Ron Javor, from Sacramento Housing Alliance, urged Council to preserve this safe, affordable neighborhood.

Audrey Autin said she owned a four unit rental in the neighborhood and requested Council to vote against this project.

Ken Wenmer stated that he had lived in the neighborhood years ago and suggested that there were several buildings into which this business could relocate.

Margaret Buss, chair of the Boulevard Neighborhood Association, spoke against the project saying that the scale of the project was the major issue. She added that the City's housing strategy was suppose to protect the City.

Kristi Reif informed the Council that if they approved the project, she would move from the neighborhood.

Barbara Stuart, a home owner, stated that this project did not belong in the neighborhood and said Jones & Stokes could find an alternative location.

Deborah Henning argued that rents would go down because of this project.

Ed Cox said that if this project were approved, six units of market-rate housing would be destroyed by the developer. It would also create subsidized housing. He felt the commitment for replacement housing was not strong enough.

Paula Corsiglia said her parents owned an 8-unit building in this neighborhood, which she said was quiet and safe. She asked the Council not to approve the project.

Ron Pineda spoke against the project.

James Rands informed the Council that the developer bought his house contingent on this project being approved. If it was denied, he would still own the house, and now it had been vandalized and he had lost rent since June.

Brooks Truitt said he supported staff's recommendations.

Councilwoman Fargo said she was appalled with what had happened to the housing on the site. She thanked Karen Jacques who asked her to stop the demolition of the housing.

Ms. Fargo agreed that Jones and Stokes were excellent tenants and should be kept in the City. She felt they would be perfect for R Street. She argued that this neighborhood was too fragile for the proposed project.

Councilman Yee said that he was convinced that the project would be a good one. He did not feel it was out of scale, and felt that the developer had done everything to mitigate the problems. He also said that the current tenant was excellent and had a \$9 million payroll that the City should work hard to keep.

Councilman Cohn spoke against the project and said if the appeal was denied, he implored the applicant to restore the current housing.

Councilman Steinberg stated that the City needed an economic development policy for mid-size businesses. He added that staff should be working with businesses to assure that they remained in the City, but not at the expense of the Central City housing strategy.

Councilman Pannell stated that he supported Mr. Yee's opinions about the project.

Mayor Serna said he would support replacement housing only if it were on a 2:1 basis in all midtown or central city neighborhoods.

Ms. Corcoran said it would take some time for staff to develop the policy and return to Council.

Mr. Cohn said that if the Council allowed rezoning in the central city, then it should require 2:1 replacement housing.

Councilman Kerth said he was interested in knowing if the on-site housing would have survived anyway.

Mr. Steinberg argued that the proposed project still reduced the amount of residentially-zoned land.

A motion was made by Councilwoman Fargo, seconded by Councilman Cohn to adopt staff's recommendation to deny the appeal.

A substitute intent motion was made by Councilman Yee, seconded by Councilman Pannell to close the hearing and to grant the appeal with conditions of: no diagonal parking; no one-way traffic; relocation of the existing housing, if possible; no attached signs; and a 6 foot brick wall to be built at the south end of the block to mitigate noise to surrounding residential properties. Mayor Serna added that the rezone could not be approved until there was a contract that 2:1

replacement housing would be constructed. The motion carried with a 5-4 vote with Council members Cohn, Fargo, Hammond, and Steinberg voting no.

11.1 Sacramento Northern Parkway Stewardship Project. (D-2)

Kelly Montgomery, Area 4 Director, informed the Council that four years ago, Planning began a project to convert 5.5 miles of abandoned Sacramento Northern Railroad line property into a beautifully landscaped bicycle and pedestrian trail known as the Sacramento Northern Parkway. Using funds from a federal grant, lighting, arched gateways, decomposed granite trails, rest areas and new trees and plants have been installed. The most remarkable element of the project has been the involvement of a significant number of community volunteers who have been involved from the early planning stages to today. Of pivotal importance is a group of community stewards who have worked long hours ensuring that the trees and shrubs that were planted in November, 1996, are still healthy and vibrant one year later.

Ray Tretheway, distributed a brochure that outlined the stewardship project. He spoke of the importance of building strong, collaborative partnerships in the community, and said this model could be replicated throughout the City.

Nancy Thompson said she lived in section 8 of the project and had 100 trees to tend. She told the Council that they couldn't find a better project to fund, and spoke of how graffiti stopped after the trees were planted.

Elmer Green urged the Council to continue to fund this project.

Michael Sullivan spoke of how neighbors were now stepping forward to help with the project.

Bruce Bower spoke favorably about the program, and requested the Council to continue its funding.

Mayor Serna thanked all of the volunteers for their interest and hard work.

Councilman Kerth asked about the size of the project. Mr. Bower replied 73 acres. Mr. Kerth thanked Mr. Bower for his assistance in starting the program, and Joe Simms, Mike Matsuoka, Bruce Hanley and the North Sacramento and Robla School Districts for helping to maintain it.

Councilwoman Fargo added her thanks to the volunteers and inquired about the number of volunteers involved in the program.

Mr. Bower said on planting day there were 1,700 adult and 1,200 student volunteers.

This information was received and filed.

12.0 SHRA

Public Hearings

- 12.1 Approval of Disposition and Development Agreement between the Agency and the Broadway/Stockton Partnership and related documents to develop a supermarket located at the Northwest corner of Broadway and Stockton Boulevard, and Health and Safety Code Section 33433 report. (Cont'd from 9-30-97, item 5.1 [Staff])(Cont'd from 2:00 P.M. [Staff])(D-5)

John Dangberg, Director of Community Development, stated that staff was requesting Council to authorize the Executive Director of SHRA to

approve the local hire agreement between the Agency and Food Source Supermarket and to execute a disposition and development agreement between the Agency and Broadway/Stockton Partnership to develop a supermarket on the site. In addition, staff requested Council's approval of the mitigated negative declaration and adoption of the mitigation monitoring plan; amendment to the Agency budget by transferring \$400,000 from other project accounts; and to hold a public hearing to meet Health and Safety Code requirement for the disposition of property acquired with tax increment funds.

Mr. Dangberg showed a map of the site which is at the northwest corner of Broadway and Stockton Boulevard. He said the project is a cornerstone in the redevelopment efforts of Oak Park and would achieve multiple Agency objectives including: the elimination of blight; creation of new jobs for Oak Park residents; providing new community-serving retail; increasing economic activity by attracting new businesses and helping to retain existing businesses along the commercial corridors of Broadway and Stockton Boulevard; and acting as a catalyst for future developments in the Oak Park area.

Mr. Dangberg gave a brief overview of the development schedule, saying that it was anticipated that project construction would begin in Spring, 1998 and be completed in late Fall/early Winter, 1998.

Tracy Robinson-Michael, SHRA Analyst, discussed the disposition and development agreement. She said the Broadway/Stockton Partnership would be responsible for developing and providing a supermarket operator for the 4.9-acre site who would be responsible for the construction of the 50,000 square-foot supermarket; construction of a 10,000-15,000 square foot retail building to be located on the corner of Stockton Boulevard and Broadway that would provide architectural compatibility to the project; complying with the Agency's local hire policy; participating in the City's Art-in-Public-Places program; and obtain private construction and permanent financing for the project.

Ms. Robinson-Michael stated that the Agency would be responsible for assisting the Broadway/Stockton Partnership with developing the site, including: purchasing the remaining parcels needed for the project; assembling all parcels in the project site, and transferring the site to the Partnership at no cost; obtaining all entitlements; completing all necessary studies and environmental analysis; completing all remaining toxic remediation required; and working with the Partnership to fulfill the Arts in Public Places program requirements.

Lux Taylor, developer for the project, thanked the Agency and City staff for their work on the project.

Councilwoman Hammond said she was proud of all who had worked on this project.

The following people spoke in support of the project: Lotar Lampe, Don Meyers, Ed Cox, Minister Carnes, Terrence Johnson, Elaine Williams, and Patti Miller.

A motion was made by Councilwoman Hammond, seconded by Councilman Steinberg to close the hearing and to adopt Redevelopment Resolution 97-035 related to the project. The motion carried with a 9-0 roll call vote.

REDEVELOPMENT RESOLUTION 97-035

OAK PARK REDEVELOPMENT AREA; ADOPT MITIGATED
NEGATIVE DECLARATION; CEQA AND NEPA APPROVAL,
AND AUTHORIZATION FOR EXECUTION OF A DISPOSITION
AND DEVELOPMENT AGREEMENT WITH BROADWAY/STOCKTON
PARTNERSHIP REGARDING PROPERTY LOCATED AT THE
NORTHWEST CORNER OF BROADWAY AND STOCKTON
BOULEVARD; RELATED AUTHORIZATIONS AND HEALTH
AND SAFETY CODE SECTION 33433 REPORT

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

13.1 Amelia called to request more police patrol in her neighborhood in District 4. Mayor Serna gave her Councilman Yee's office number and recommended that she contact him.

14.0 COUNCIL IDEAS AND QUESTIONS

14.1 Council members Kerth, Fargo, and Cohn encouraged voters in the North Sacramento School District to vote for Measure X.

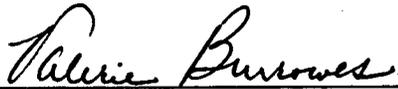
14.2 Mayor Serna made the following nominations to the Construction Codes Advisory and Appeals Board: Edward J. Cox, Frank Herrera and George A. Tinseth.

15.0 ANNOUNCEMENTS

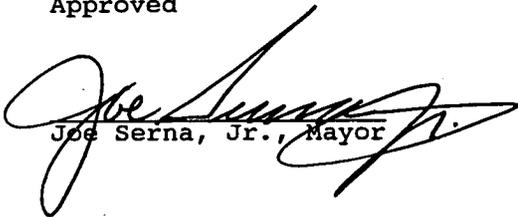
None

ADJOURNMENT There being no further business to come before the Council, the meeting was adjourned at 11:00 p.m.

Submitted for approval


Valerie A. Burrowes, City Clerk

Approved


Joe Serna, Jr., Mayor