City Planning Commission Sacramento, California

Members in Session: -

SUBJECT:

Major Project Early Policy Review of the Marconi Station proposal to develop 65,000 square feet of office space (in five buildings); 3,000 square feet of retail space; and 54 single family units on 11.4± vacant acres in the Multiple Family (R-28 & R-3)

zones (ER92-003).

SUMMARY:

The applicant is requesting an Early Policy Review for the development of five office buildings totaling 65,000± square feet, 3,000 square feet of retail space, and 54 single family residences on 9.87± vacant acres in the Multiple Family (R-3) zone and 1.53± vacant acres in the Multiple Family (R-2B) zone. Staff recommends the project be redesigned to comply with the identified policies in the General Plan and

Community Plan as described in this report.

LOCATION:

Southeast corner of Marconi Avenue and Kenwood Street,

Council District #2

APPLICANT:

Buzz Oates Enterprises II, 225 30th Street, Sacramento, CA 95816

PROJECT INFORMATION:

General Plan Designation:

North Sacramento Community

Plan Designation:

Existing Zoning of Site:

Existing Land Use of Site:

Medium Density Residential (16-29 du/na)

Residential (11-21 du/na) (1.53 acres)

Residential (11-29 du/na) (9.87 acres)

Multiple Family Residential (R-3 & R-2B)

Vacant

Surrounding Land Use and Zoning:

North: Single Family, Two Family and Vacant; R-1

South: Light Rail Line & Southern Pacific R/R; TC

East: Vacant; R-2B

West: Vacant, Single Family and Multiple Family; R-2B & R-3

BACKGROUND-EARLY REVIEW PROCESS:

The purpose of the Early Policy Review is to provide a preliminary screening of private development projects that identifies policy issues, degree of conflict with existing policy and the potential for the application to proceed. The review process provides early input that would assist the developer in bringing a project into conformance with City policy. The review also enables a developer to avoid the possible unnecessary expenses associated with preparation of a detailed full application. Major projects such as Expo-Center, Centrage, Pacific Plaza, and the Northgate/San Juan Crossing are examples of projects which could have benefited from such a review. Standard review procedures do not typically offer the opportunity to address major policy issues until later stages.

According to the City Council's recently adopted procedure, Early Policy Review should be guided by the following parameters:

- 1. The screening process should consider major policy and land use issues including, but not limited to, the following:
 - a. the appropriateness of the proposed land use concept;
 - b. the relationship between the proposed project and existing or proposed plans, policies and goals pertaining to the subject site and the area in which it is located; and,
 - c. the appropriateness of any special financing mechanisms or potential public subsidy.
- 2. The Early Policy Review should be limited to consideration of major policy and land use issues. Detailed site planning, design and environmental issues will not be reviewed at this stage, but should be addressed as the project proceeds through the standard application review process.

It should be noted that the Early Policy Review procedure is a non-binding procedure. Any decision made at this stage may be changed or modified upon further review of the proposal. For example, additional project details may find the proposal to be more in conformance (or possibly less in conformance) with established regulations and policies. More detailed information could even lead to a decision differing from that made at the Early Policy Review stage.

PROJECT EVALUATION: Staff has the following comments:

A. <u>Land Use and Zoning</u>

The subject site consists of 9.87 ± vacant acres that are zoned Multiple Family (R-3) and 1.53 ± vacant acres that are zoned Multiple Family (R-2B). The General Plan designates the site as medium density residential (16-29 du/na) and the 1984 North Sacramento Community Plan designates 9.87 ± acres of the subject site for residential (11-29 du/na) and the remaining 1.53 ± acre portion of the subject site is designated for residential (11-21 du/na). The project site falls within the boundaries of the recently established North Sacramento Redevelopment Area. Surrounding land uses and zoning include: single family, two family and vacant land, zoned Standard Single Family (R-1), to the north; the Light Rail Tracks and Railroad right-of-way, zoned Transportation Corridor (TC), to the south; single family, two family, and vacant land, zoned Multiple Family (R-2B), and single family, multiple family and vacant, zoned Multiple Family (R-3), to the west; and vacant land, zoned Multiple Family (R-2B), to the east.

B. Applicant's Proposal

The applicant is requesting an Early Policy Review of a proposal to construct 65,000± square feet of office space, 3,000± square feet of retail/commercial space and 54 single family residences on 11.4± vacant acres. The subject site is split by two zones with 9.87± acres zoned Multiple Family (R-3), and the remaining 1.53± vacant acres zoned Multiple Family (R-2B). The applicant is requesting that the major policies that will affect the development of the subject site be addressed in order to determine whether or not it would be possible to develop the subject site as proposed.

C. Major Policy Considerations

The major policy considerations related to this project fall within three major policy categories. The first policy consideration is the project's consistency with the Residential Land Use Element of the General Plan and the 1984 North Sacramento Community Plan. The second policy consideration is the project's consistency with the City's Conservation and Open Space Element of the General Plan. The third policy consideration is the project's consistency with the Transportation Element of the North Sacramento Community Plan.

1. Consistency with the Land Use Element

The subject site is identified in the General Plan as Medium Density Residential (16-29 du/na), and the 1984 Community Plan identifies 1.53 + acres as residential (11-21 du/na) and the remaining 9.87 + acres as residential (11-29 du/na). In addition to the land use designations the subject site is also identified as an infill site in the General Plan which could allow for a 25 percent increase in the overall density that could be permitted on the subject site.

The applicant's proposal includes a total of 54 single family residences to be constructed on 7.6± acre portion of the subject site. As proposed the density of the subject site would be 8.7 dwelling units per net acre. The existing land use designations on the subject site would allow for 173 to 318 dwelling units to be constructed on the subject site. As proposed there will be a loss of 119 to 264 residential units over the entire 11.4 gross acre site. In addition, on the 7.6 gross acre portion designated for residential use there will be a loss of 67 to 166 residential units, as a result of the applicant's proposal.

The elimination of 119 to 264 residential units would be contrary to Goal C of the Residential Land Use Element of the General Plan, Policy 2, which encourages higher residential densities adjacent to the light rail stations. Regional Transit's Draft Transit Master Plan recommends that a minimum of 20 dwelling units per net acre be constructed on sites that are within 1/4 mile of a rail station. The applicant's proposal to include 65,000 square feet of office space along Marconi Avenue adjacent to the light rail station is also supportive of Regional Transit's Draft Master Plan. In considering the General Plan and Community Plan land use densities for the subject site and based upon the amount of housing that will be eliminated under the applicant's proposal, Planning staff would recommend that the applicant consider utilizing a mixture of multiple family and single family units to increase the overall density on the residential portion of the subject site. This could be accomplished if the residential component was clustered to include a mix of single family residences in the northeast corner of the subject site and a multiple family development (condominiums, townhomes, apartments, etc.) in the southwest portion of the site.

Goal E of the Residential Land Use Element of the General Plan, Policy 2 encourages mixed use housing and employment centers as a way to meet housing needs and to reduce traffic impacts within new developments. By increasing the overall density of the residential component of the subject site there would be a greater opportunity for persons employed at the office developments to live within the project. This would help reduce traffic congestion on the surrounding community streets.

As the subject site is located within close proximity to the Marconi Light Rail Station the office component of the proposed project would further support Goal C of the Residential Land Use Element, Policy 1 which encourages mixed use projects to promote use of the existing light rail lines. Planning staff feels that the mixed use concept on this site could substantially benefit the surrounding community and provide opportunities for increased ridership on the light rail system.

Planning staff further recommends that Residential/Office (RO) zoning be considered for the office development. The Residential/Office zoning allows offices with the approval of a special permit. However, in the event that there is not a market for small office developments as currently proposed, the applicant would be able to construct a medium density residential project on that portion of the subject site, which could accommodate approximately 135 dwelling units. Flexibility in the zoning by allowing either offices or multiple family dwellings could allow for an increase in the density of the 3.8+ acre portion of the site, designated for office development, to 35 dwelling units per acre if the office development does not get constructed. The possibility for an increase in residential density on this portion of the subject site would further the goals of the Regional Transit Master Plan.

The addition of a small retail/commercial establishment would also provide necessary services to the proposed residential development and surrounding community. The proposed site plan does not indicate the exact location for the proposed retail/commercial establishment. Planning staff would recommend that a small portion of the subject site located at the corner of Kenwood Street and Marconi Avenue be reserved for a retail/commercial establishment. Under the current zoning restrictions retail/commercial uses are not permitted in an Office Building (OB) or Residential Office (RO) zoning. Therefore, Planning staff recommends that the applicant request a Neighborhood Commercial (C-1) zoning for the corner of Marconi Avenue and Kenwood Street. By locating the proposed retail/commercial establishment at this location the proposed mixed use project will benefit the surrounding community by providing services within close proximity to existing residential development.

2. Consistency with the Conservation and Open Space Element

Hagginwood Creek currently runs through the subject site. The applicant's proposal is to re-route the creek and put it underground. In the General Plan's Conservation and Open Space Element there are several policies that recommend maintaining the natural beauty of creeks and canals. Goal E, Policy 1 of the Conservation and Open Space Element states that the City should "explore ways to reverse degradation and pollution and enhance the natural beauty and wildlife habitats of creeks and drainage canals". The City's Utilities Division has recommended that the creek be maintained as an open channel and that the applicant should incorporate the creek as an amenity to be enjoyed by the residents and the employees of the proposed development. As it is City policy to maintain existing creeks and canals, the project as proposed would be in conflict with this policy (See Exhibit H).

In addition, there are 77 trees located on the subject site, thirteen of which are considered to be heritage trees. The applicant is proposing to remove 62 trees, six of which are heritage trees. Goal A of the Conservation and Open Space Element of the General Plan, Policy 2 recommends that heritage trees appearing on any new development proposals be

retained. Unless determined by the City Arborist that a heritage tree should be removed due to disease the heritage trees should be retained. Additionally during project review, the Parks and Recreation Department and the Environmental Services Division policy has been to retain all existing trees that are in good condition. As part of the early review process the City Arborist did visit the site and has determined that thirteen of the 62 trees to be removed should be retained on the subject site. Of the thirteen trees that the Arborist feels should be retained three are heritage trees. As there are policies to maintain the heritage trees and to discourage the removal of trees considered in good condition, Planning staff would recommend that the applicant redesign the project to protect the trees as noted on Exhibit H.

3. Consistency with the Transportation Element

The subject site is located on Marconi Avenue, considered a major street, and adjacent to the existing R.T. Metro Light Rail line which runs along the southeast portion of the subject site. In addition, the Marconi Light Rail station is located within 1/4 mile of the subject site. Goal B of the Transportation Element of the North Sacramento Community Plan recommends that the City "ensure that land use plans allow intensity of uses which are compatible and supportive of transit services along major bus routes and adjacent to light rail transit stations". Goal C of the Transportation Element of the Community Plan recommends that we "place higher density and people intensive uses next to public transit routes and near light rail stations whenever possible". The existing multiple family designation and zoning of the subject site supports these policies. The applicant's proposal to locate 54 single family residences on the 7.6+ acre portion of the subject site being devoted to residential development would however be contrary to these policies. If the applicant were to provide a housing mix and type that would incorporate multiple family and single family residences along with the offices and retail/commercial components of the proposal, the intensity of this development would be compatible with the types of development that are encouraged adjacent to light rail stations.

D. Agency Comments

As part of the early review process the proposed project was routed to several departments for review and comment. The Public Works Development Services Division has submitted comments that relate to traffic and utility issues (see Exhibit H). In addition, a similar request for the subject site was submitted in 1991. A preliminary environmental analysis was done by the Environmental Services Division at that time (see Exhibit I).

<u>RECOMMENDATION</u>: Staff recommends the Planning Commission recommend to the City Council that the proposed **Marconi** Station project be redesigned to comply with the identified General and Community Plan policies which would include:

- 1. Creating a "mixed use project". Compatible with the types of development that are encouraged adjacent to light rail stations. This would include at a minimum:
 - a. providing a multiple family residential component at the southwest corner of the subject site;
 - b. retaining some single family residential at the northeast corner of the subject site;

- c. designating a retail/commercial site at the corner of Kenwood Street and Marconi Avenue; and
- d. designating the frontage along Marconi Avenue as Residential/Office which could accommodate either offices or residences.
- 2. Preserving the creek as an amenity by incorporating it within the design of the residential and office development being proposed.
- 3. Developing a site plan that will retain the heritage trees that have been recommended by the City Arborist to be saved on the subject site.

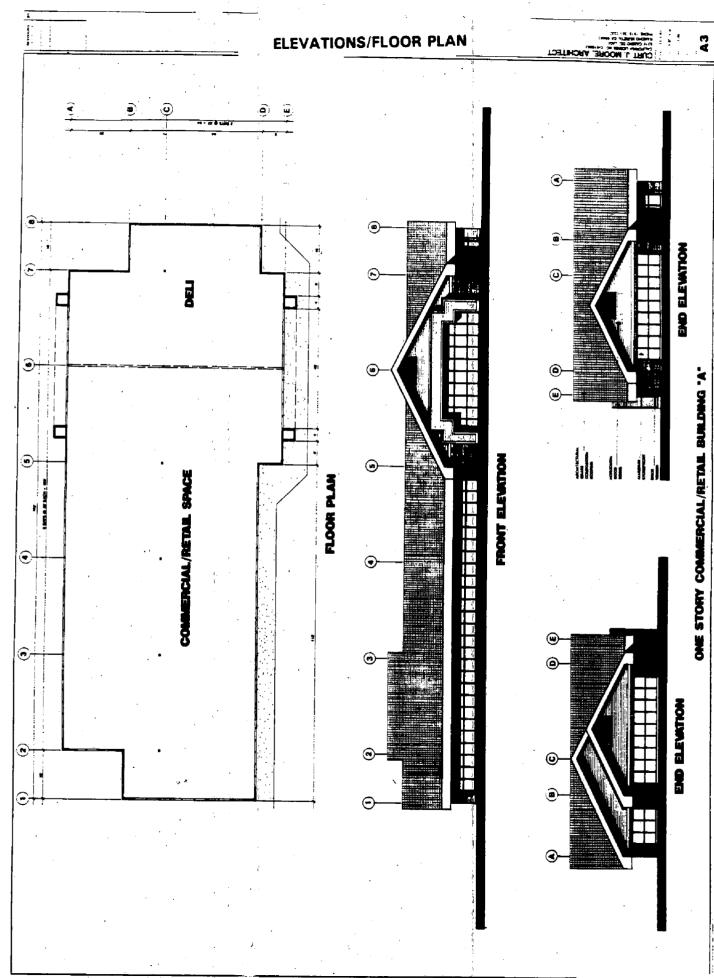
Respectfully Submitted;

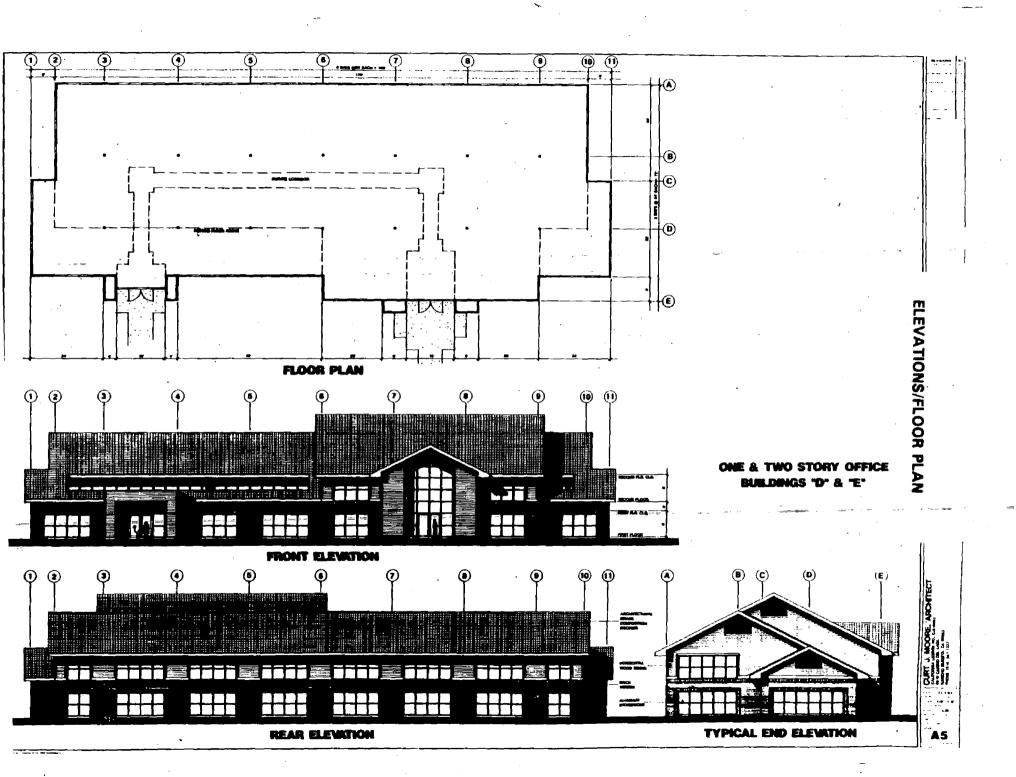
Wilfred Weitman Principal Planner

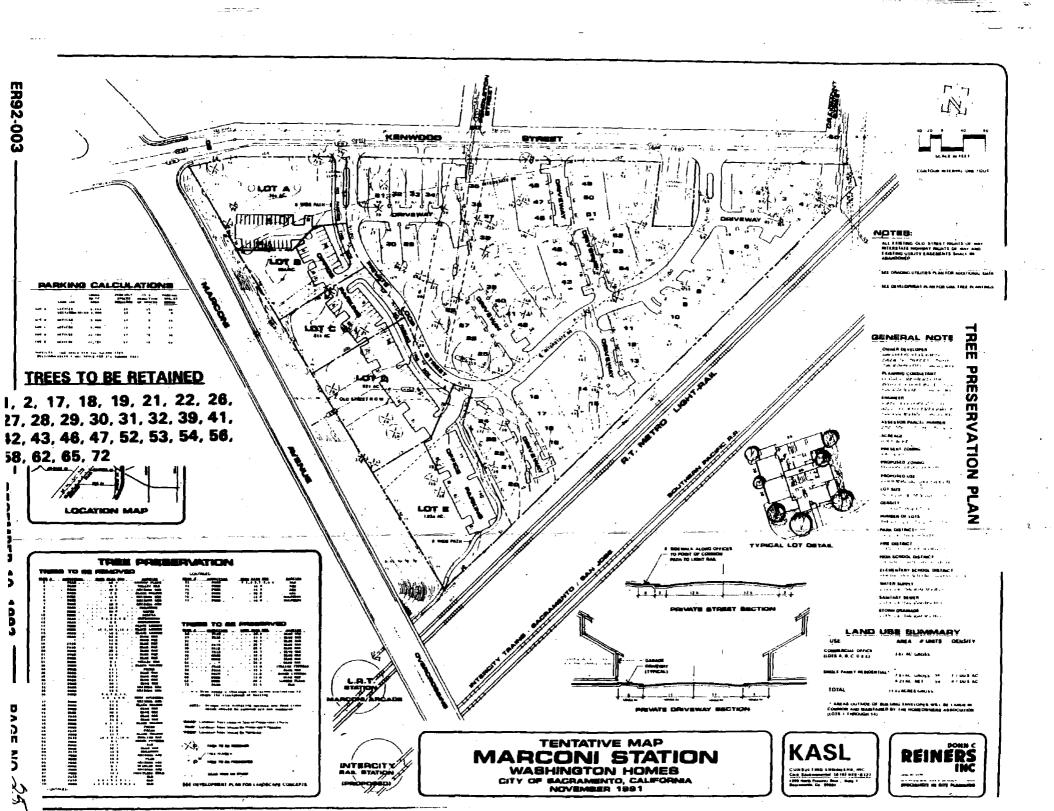
Report Prepared by:

Dawn Holm, Assistant Planner

(ER92-003)









March 3, 1993

Sacramento Housing and Redevelopment Commission Sacramento, California

Honorable Members in Session:

SUBJECT: EARLY POLICY REVIEW FOR MARCONI STATION PROJECT AT SOUTHEAST CORNER OF MARCONI AVENUE AND KENWOOD STREET

RECOMMENDATION:

Staff recommends adoption of the attached resolution which establishes policy regarding development of the property at Marconi Avenue and Kenwood Street (see map shown as Attachment I) as follows:

- It is desirable to pursue options to retain the Marconi Avenue and Kenwood Street site as open space/park.
- 2. If efforts to secure the site or funding for acquisition and development of the park are not successful, the following alternative action would be suggested:
 - Developer should consider a "mixed-use project" on some portion of the site. Development should be compatible with the types of development that are encouraged adjacent to light rail stations. Staff would suggest including the development of:
 - a multiple family residential component at the southwest corner and along the railroad tracks of the subject site (approximately 10-12 dwelling units per net acre), (steps should be taken to encourage home ownership opportunities);
 - a retail/commercial site at the corner of Kenwood Street and Marconi Avenue; and
 - a residential/office designation along Marconi Avenue frontage which could accommodate either offices or residences.
 - All newly-developed streets within the sites should have public right-of-way.

Sacramento Housing and Redevelopment Commission March 3, 1993 Page 2

Tax increment funds generated by the above development could then be used to acquire and preserve a maximum amount of open space on the site. This would provide for maintenance of the creek as an amenity and preservation of the heritage trees that have been recommended by the City Arborist to be saved.

CONTACT PERSON:

Bina Lefkovitz, Director of Community Development, 440-1357

SUMMARY

The purpose of this report is to conduct an early policy review of the Marconi Station project, a proposed mixed use development of the property at the southeast corner of Marconi Avenue and Kenwood Street within the North Sacramento Redevelopment Area.

The Sacramento Housing and Redevelopment Commission's recommendation will be incorporated into a joint City Planning Department staff report and presented to the City Council on March 23, 1993.

NORTH SACRAMENTO PROJECT AREA COMMITTEE (PAC) ACTION

At its meeting of February 8, 1993, the North Sacramento Project Area Committee adopted a motion to "disapprove the applicant's proposal, City Planning Division, and Planning Commission's recommendation, and look at developing the site as a park."

The votes were as follows:

AYES: Austin, Clapp, Desha, Dye, Perry, Slobe

NOES: Decanio, Lemmon

ABSENT: Chandler, Gonsoulin, Johnson, Oliver

The North Sacramento Project Area Committee adopted a second motion stating "At this time the PAC recommends creating a park/open space on the entire site, by identifying funding sources to acquire the land; however, if funding sources are not identified, the PAC recommends development of a portion of the site and leaving a portion as open space."

The votes were as follows:

AYES: Austin, Clapp, Desha, Dye, Perry, Slobe

NOES: Lemmon ABSTENTION: Decanio

ABSENT: Chandler, Gonsoulin, Johnson, Oliver

Sacramento Housing and Redevelopment Commission March 3, 1993 Page 3

PLANNING COMMISSION RECOMMENDATION

On December 10, 1992 and December 17, 1992, the City Planning Commission heard testimony pertaining to the Marconi/Kenwood project. The Commission approved City Planning staff's recommendations and added the following recommendations:

- 1. Creating a "mixed use project" compatible with the types of development that are encouraged adjacent to light rail stations. This would include at a minimum:
 - a. providing a multiple family residential component with home ownership opportunity (condos, townhouses, etc.) at the southwest corner of the subject site; however, greater density is encouraged;
 - b. retaining some single family residential at the northeast corner of the subject site; home ownership/affordable housing is encouraged;
 - c. designating a retail/commercial site at the corner of Kenwood Street and Marconi Avenue; and
 - d. designating the frontage along Marconi Avenue as residential/office which could accommodate either offices or residences.
- 2. If possible, preserving the creek as an amenity by incorporating it within the design of the residential and office development being proposed. However, if not possible, the creek could be put underground.
- 3. Developing a site plan that will retain the heritage trees that have been recommended by the City Arborist to be saved on the subject site. The heritage oaks should be maintained and the creek should not be put underground unless absolutely necessary.
- 4. The proposed street for the office development should be a public street.

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BACKGROUND INFORMATION

The proposed project is located at the intersection of Marconi Avenue and Kenwood Street and is within the North Sacramento Redevelopment Project Area (map, Attachment I). It is an 11.4 acrevacant site bounded by Marconi Avenue, a busy 4-lane collector; the light rail tracks, and Kenwood Street. It is also within a quarter mile of the Marconi light rail station. The site currently contains a natural creek and a live oak savannah, consisting of heritage trees. It is zoned multiple-family (R-2B & R-3). The North Sacramento Community Plan land use designation is a combination of medium high density (11-21 dwelling units per net acre) and high density (11-29 dwelling units per net acre). The Transportation Element of the Community Plan recommends that we "place higher density and people intensive uses next to public transit routes and near light rail stations whenever possible."

The developer, Washington Homes, has submitted a proposal to the City for early policy review of this development. He proposes to develop 65,000 square feet of office space, 3,000 square feet of commercial, and 54 single family homes on a site currently designated multi-family.

City staff and the Planning Commission have reviewed the project and made their recommendations (a copy is included herein as Attachment II). City Department of Public Works' comments on the project indicate that no changes to the acquired and downstream water surface elevations (flooding) in the creek which flows through the site (Hagginwood Creek) can result from the development of this site. Specifically, Public Works is looking for the project to be designed with: no net increase in drainage off site and no change in the inflow and outflow hydrographs.

The City Planning Commission recommended approval of the project with slight modifications. They felt that, because of the site's location near light rail, an increased housing density was warranted. They also advocated the retention of 28 trees as recommended by the City Arborist rather than the 15 proposed by the developer. The Planning Commission did not address the possibility

Sacramento Housing and Redevelopment Commission March 3, 1993 Page 5

of the site being used as a park.

The City Parks Department has indicated that due to the many heritage trees on the site it should be developed as a park. However, the City currently has not officially designated the land for park space in this quadrant.

Agency staff recognizes the importance of this site as a community asset and one of the last remaining oak savannahs in the Sacramento area. In addition, the North Sacramento Redevelopment Plan calls for the development of park space in the northern section of the redevelopment area. This site meets that requirement and benefits the future residents of the area. City Planning and the Agency have recently retained a consultant to study the areas around light rail stations and make land use recommendations. This study, which is currently underway and will not be completed until this fall, will assist us in determining the feasibility of a park at this site.

Staff recommends the retention of this site as open space if possible. Several alternative means to secure the site have been discussed. Staff is meeting with the developer to discuss acquisition options as well as researching funding options. Discussions have included a possible land exchange for other Cityowned property, but to date this has been unproductive. Other possible funding mechanisms to be explored include Quimby (developer contributions for park acquisition and development), Open Space Conservancy, City Parks Department, and future Tax Increment funds.

If adequate financing cannot be identified, however, Agency staff would ideally recommend park/open space on approximately 1/3 of the site and development of a mixed-use alternative of office, commercial and residential (10 dwelling units per net acre) on approximately 2/3 of the site.

FINANCIAL COMSIDERATIONS

The appraisal value of the entire site has recently been established at approximately \$1.1 million.

Inquiries into the availability of Quimby funds, Nature Conservancy funds, and other potential funding sources will be pursued to retain the site as park use. In addition, park design, development and maintenance costs must be identified. (City staff has estimated that development of the site as a park would cost approximately \$250,000 to \$300,000 and maintenance could be absorbed into the existing parks system.)

If funding cannot be identified for site acquisition, expected tax increment to be generated from the proposed development of 2/3 of

Sacramento Housing and Redevelopment Commission March 3, 1993 Page 6

the site (as presented as option 2 in the SHRA staff recommendation) could be used as payments to the owner for the open space/park. In keeping with assumptions made by Katz Hollis as part of the North Sacramento Redevelopment Plan analysis, a projection of incremental tax revenue has been made. Approximately \$75,000 a year in tax increment would be generated from development of a mixed-use office/commercial/residential/development on seven acres as proposed in SHRA staff's recommendation. Therefore, \$75,000 a year could be available as payment to the developer or to finance a loan to pay the developer up front. This amount should be sufficient to offset the developer's loss for lease of the land.

If development of the entire site occurred, as outlined in the Planning Commission's recommendations, approximately \$120,000 in tax increment would be generated yearly. This would be used for improvement projects within the North Sacramento Redevelopment Area. It could be used specifically to buy an alternative site for park use.

POLICY CONSIDERATIONS

The City of Sacramento General Plan identifies the site as Medium Density Residential (16-29 dwelling units per net acre) and the North Sacramento Community Plan designates Medium Density Residential (11-21 dwelling units per net acre) for 1.53 acres (11-29 dwelling units per net acre) for 9.87 acres. Amending both plans would be necessary before any other zoning could be approved. The Transportation Element of the Community Plan recommends that we "place higher density and people intensive uses next to public transit routes and near light rail stations whenever possible.

The North Sacramento Redevelopment Plan calls for the creation of a park within the northern portion of the Redevelopment Area. The designation of open space/park on this site would fulfill that goal.

If the site is not developed, many other opportunities exist within the redevelopment area for infill housing.

ENVIRONMENTAL REVIEW

The proposed project was not considered for this site in the Redevelopment Plan EIR. The Redevelopment Plan identified this site as medium density residential, thus any development proposal would require complete environmental review.

After initial review of the proposed development by the City of Sacramento Environmental Services, it was determined that the project may have environmental impact with regards to air quality, noise (from Marconi Avenue, I-80 and light rail), plant life (tree removal), wetlands (Hagginwood creek), land use change, and traffic/circulation (Marconi Avenue Level of Service of "F" at SGPU

Sacramento Housing and Redevelopment Commission March 3, 1993 Page 7

buildout). A noise study and wetlands delineation report may be required. Due to the proximity of adjacent railroad tracks, a Preliminary Site Assessment (PSA) may also be required.

The final determination of the appropriate environmental document and any necessary studies will be based upon the findings of the Initial Study conducted after receipt of a complete application for development. Depending on the final project put forward and the levels of involvement by the Agency, either the City or the Agency may be the Lead Agency for environmental review of the project.

M/WBE

M/WBE consideration are not required with this action.

Respectfully submitted,

John E. Molloy Executive Director

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EXHIBIT - I

RESOLUTION NO. SHRC-

93-010

ADOPTED BY THE SACRAMENTO HOUSING AND REDEVELOPMENT COMMISSION UNDER THE AUTHORITY DELEGATED TO THE COMMISSION PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE, SECTION 33202 BY RESOLUTION NO. RA 81-083 ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO ON OCTOBER 20, 1981, AND BY RESOLUTION NO. RA-83 ADOPTED BY THE REDEVELOPMENT AGENCY OF THE COUNTY OF SACRAMENTO ON OCTOBER 27, 1981, AND PURSUANT TO CALIFORNIA HEALTH AND SAFETY CODE SECTION 34292 BY RESOLUTION NO. HA 81-098 ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO ON OCTOBER 20, 1981, AND BY RESOLUTION NO. HA-1497 ADOPTED BY THE HOUSING AUTHORITY OF THE COUNTY OF SACRAMENTO ON OCTOBER 27, 1981,

ON DATE OF

March 3, 1993

EARLY POLICY REVIEW FOR A "MARCONI STATION"
(WASHINGTON HOMES) LOCATED AT THE PROPERTY AT THE
SOUTHEAST CORNER OF MARCONI AVENUE AND KENWOOD STREET

BE IT RESOLVED BY THE SACRAMENTO HOUSING AND REDEVELOPMENT COMMISSION:

Section 1: Based upon early review of the Marconi Station project proposed by Washington Homes, the Agency's policy is that the site bounded by Marconi Avenue, Kenwood Street, Craigmont Street and the R.T. Metro Light rail line ("Site") should be retained as open space or a park.

Section 2: The Executive Director is hereby authorized to investigate and propose options to retain the Site as open space or a park.

Section 3: If efforts to secure the Site or funding for acquisition and development of the park are not successful, the Executive Director is authorized to investigate and propose options to develop a portion of the Site, leaving a portion as open space or a park. Such development should be oriented toward the light rail station and light rail usage, incorporating some or all of the following elements:

(a) a residential component at the southwest corner and along the railroad tracks of the subject site (approximately 10 dwelling units per net acre); efforts should be taken to encourage affordable home ownership opportunities;

(b) a retail/commercial component at the corner of Kenwood Street and Marconi Avenue; CFRTIFIED AS TRUE COPY

esolulus SHRC 93-01

Date Certified

Agancy Clark

- (c) a residential/office component with frontage along Marconi Avenue which could accommodate either offices or residences or both;
- (d) all newly-developed streets as public rights-of-way; and
- (e) maintenance of the creek as an amenity and preservation of the heritage trees as recommended by the City Arborist.

ATTEST:

CLERI

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PARKS SITES IDENTIFIED IN THE 1989 PARKS MASTER

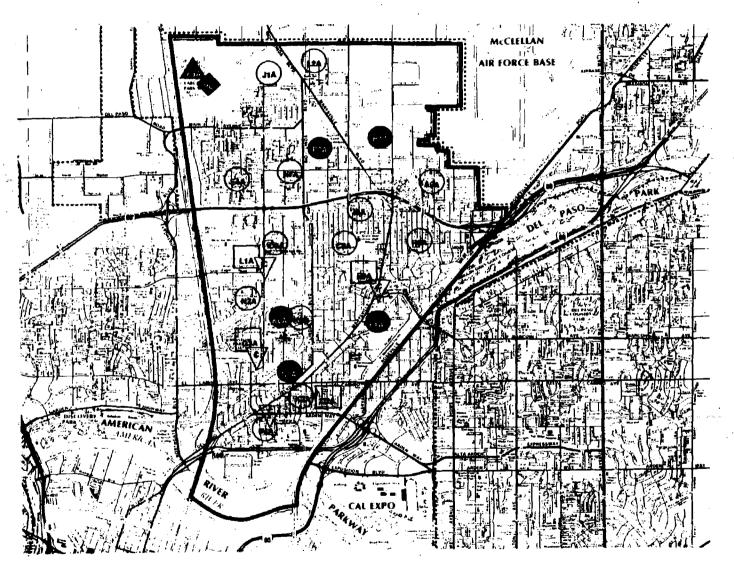
PLANNING AREA 8 - NORTH SACRAMENTO

Existing Parks

Map#	Name	Туре
Map # C8A D2A E9A F3A G3A J7A K2A K4A K6B L1A	Name Del Paso Heights Park Dixieanne Park Hagginwood Park Hansen Park Site Johnston Park North Pointe Park Rea Park Redwood Park Richardson Village Park Robertson Park	Neighborhood Community Community Regional Community Neighborhood Neighborhood Community Neighborhood Community
L4A N2A N9A P4A	Sacramento Northern Parkway Strawberry Manor Park Triangle Park Woodlake Park	Community Neighborhood Neighborhood Community

Proposed Parks

Map#	Name	Туре
A9A	Bell Avenue School Park	Neighborhood
H9A	Castori School Park	Neighborhood
C9A	Del Paso Heights School Park	Neighborhood
E4A	Glenwood School Park	Neighborhood
F1A	Hagginwood School Park	Neighborhood
H1A	Main Avenue School Park	Neighborhood
K6A	Norte Del Rio School Park	Neighborhood
I8A	North Avenue School Park	Neighborhood
J1A	North of Main Avenue Park Site	Neighborhood
L2A	Robla School Park	Neighborhood
P7A	Sunset Cemetery Area Park	Neighborhood
N7A	Taylor Street School Park	Neighborhood



Area 8

FOR AREA LOCATION, PLEASE REFER TO FULL SCALE MAP

····· CITY LIMITS

PLANNING AREA BOUNDARY

EXISTING REGIONAL PARKS

PROPOSED REGIONAL PARKS

EXISTING NEIGHBORHOOD

PARKS

PROPOSED NEIGHBORHOOD PARKS

EXISTING COMMUNITY

PARKS

PROPOSED COMMUNITY PARKS

COMMUNITY CENTER

PROPOSED COMMUNITY CENTER

PROPOSED COMMUNITY CENTER (SIGHT NOT YET DETERMINED)

For park names, please refer to seperate locator in back of document.

DISTANCE FROM TRANSIT FACILITY

	1/8 Mile	1/4 Mile	1/2 Mile	1 Mile	1-3 Miles
Bus Stop	15-20 DUA	10-15 DUA	7-10 DUA	7 DUA	5 DUA
(15 minute frequency)	1+ FAR ≥150 EPA	.75-1 FAR ≥75 EPA	.575 FAR	.35 FAR	No recom- mendation; too far from transit
Rail Station/ Transit	≥30 DUA	≥20 DUA	10-15 DUA	10 DUA	7 DUA
Center	≥1.5 FAR ≥200 EPA	≥ 1 FAR ≥150 EPA	.75-1 FAR	.375 FAR	No recom- mendation;
(7.5-15 minute	,				too far from transit
frequency)	•	·*			
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[&]quot;DUA" means "Dwelling Units per Acre" Notes: "EPA" means "Employees per Acre"

[&]quot;FAR" means "Floor Area Ratio; used to determine intensity of land use

[&]quot;Transit Facility" means LRT stations, bus stops or multimodal centers (e.g., timed transfer centers)

DawnHolm

DEPARTMENT OF PLANNING AND DEVELOPMENT March 16, 1993

CITY OF SACRAMENTO

CALIFORNIA

1231 I STREET ROOM 200 SACRAMENTO, CA 95814-2998

City Council Sacramento, California

BUILDING INSPECTIONS 916-449-5716

Honorable Members in Session:

PLANNING 916-449-5604

SUBJECT: E

EARLY POLICY REVIEW FOR MARCONI STATION PROJECT AT SOUTHEAST CORNER OF MARCONI AVENUE AND KENWOOD STREET

LOCATION:

Marconi Avenue and Kenwood Street.

North Sacramento Redevelopment Area, District 2

OWNER: APPLICANT:

Buzz Oates Enterprises, 3615 Elder Creek, Sac, CA 95828 Tony Shepherd, 225 30th Street, Sacramento, CA 95816

RECOMMENDATION:

The applicant for the proposed project has submitted for an early policy review to determine the Council policies on the development of the project site. The project site is within the boundaries of the North Sacramento Redevelopment Area and requires review by the City Planning Commission as well as the North Sacramento Project Area Committee (PAC) and the Sacramento Housing and Redevelopment Agency Commission.

This is the first early policy review for a project within a neighborhood redevelopment area. In the future Planning staff and the Redevelopment Agency staff will develop a unified recommendation on early policy reviews for redevelopment area projects.

The City Planning Commission and planning staff's recommendation is to allow a mixed use development to occur on the project site subject to modifications. The North Sacramento Project Area Committee (PAC) and the Redevelopment Commission's recommendation is a two part recommendation. The Project Area Committee and Sacramento Housing and Redevelopment Commission's preferred alternative is to retain the project site as open space or a park if a funding source can be identified. If funding is unavailable the alternative recommendation is to allow some of

space or a park if a funding source can be identified. If funding is unavailable the alternative recommendation is to allow some of the site to be retained as open space or a park and allow a mixed use development on the remaining portion of the site. The City Planning Commission and/or the Sacramento Housing and Redevelopment Committee's recommendation will require amendments to the General Plan and the North Sacramento Community Plan.

Staff recommend that the City Council identify the policy direction for this project by approving one of the following alternatives:

- A. The Planning Commission and City staff recommend that the City Council allow the project to go forward, through the normal application process subject to modification, by approving the following policy recommendations:
 - 1. Creating a "mixed use project" compatible with the types of development that are encouraged adjacent to light rail stations. This would include at a minimum:
 - providing a medium density residential component (approximately 10-12 dwelling units per net acre (du/na) at the southwest corner of the subject site (home ownership/affordable housing is encouraged);
 - retaining some single family residential (approximately 4-8 du/na) at the northeast corner of the subject site (home ownership/affordable housing is encouraged);
 - designating a retail/commercial site at the corner of Kenwood Street and Marconi Avenue; and
 - designating the frontage along Marconi Avenue as residential/office (RO) which could accommodate offices, residences or a combination of offices and residences.
 - 2. If possible, preserving the creek as an amenity by incorporating it within the design of the residential and office development. However, should this not be possible, the creek could be put underground.
 - 3. Developing a site plan that will retain those heritage trees recommended to be saved by the City Arborist.
 - 4. The proposed street to serve the office development should be a public not a private street.
- B. The Sacramento Housing and Redevelopment Agency staff, North Sacramento Project Area Committee and the Sacramento Housing and Redevelopment Commission recommend that the City Council, adopt the following policy recommendations:
 - 1. It is desirable to pursue options to retain the Marconi Avenue and Kenwood Street site as open space/park.
 - 2. If efforts to secure the site or funding for acquisition and development of the park are not successful, the following alternative action would be suggested:
 - Developer should consider a "mixed-use project" on some portion of the site. Development should be compatible with the types of development that are encouraged adjacent to light rail stations. Staff would suggest include the development of:

- a medium density residential component (approximately, 10-12 dwelling units per net acre) at the southwest corner and along the railroad and tracks of the subject site (steps should be taken to encourage home ownership opportunities);
- a retail/commercial site at the corner of Kenwood Street and Marconi Avenue; and
- a residential/office designation along Marconi Avenue frontage which could accommodate either offices or residences.
- All newly-developed streets within the sites should have public right-of-way.
- Tax increment funds generated by the above development could then be used to acquire and preserve a maximum amount of open space on the site. This would provide for maintenance of the creek as an amenity and preservation of the heritage trees recommended by the City Arborist to be saved.

CONTACT PERSONS:

David Melko, Senior Planner & Dawn Holm, Assistant Planner, Sacramento City Planning Division (916) 264-5604 Bina Lefkovitz, Director of Community Development, Sacramento Housing & Redevelopment Agency (SHRA) (916) 440-1357

FOR COUNCIL MEETING OF: March 23, 1993

SUMMARY

The purpose of this report is to conduct an early policy review of the Marconi Station project, a proposed mixed use development (residential, office and commercial) on 11.4+ vacant acres located at the southeast corner of Marconi Avenue and Kenwood Street within the North Sacramento Community Plan and Redevelopment Area. project has been reviewed by the City Planning Commission. Planning staff and the Planning Commission recommend a mixed use development for the entire site. The North Sacramento Project Area Committee (PAC) and the Sacramento Housing and Redevelopment Agency Commission have also reviewed the proposed project and recommend that the site be preserved for a park, provided that funding can be secured. If efforts to secure the site or funding for acquisition and development of a park and/or open space are not successful the North Sacramento PAC and the Sacramento Housing and Redevelopment Commission would support approximately two thirds of the site being developed with a mixed use project and the remaining one third of the site being developed as a park or open space.

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VOTE OF THE PLANNING COMMISSION

On December 10, 1992 and December 17, 1992, the City Planning Commission voted eight ayes to recommend that the project be allowed to go forward, subject to modifications.

In summary, the Commissioners were in support of planning staff's recommendation which would allow development of the subject site. The Commissioners stated that if possible the creek should be preserved as an amenity by incorporating it within the design of the residential and office development being proposed. However, if not possible, the creek could be put underground.

VOTE OF THE NORTH SACRAMENTO PROJECT AREA COMMITTEE (PAC)

On February 8, 1993, the North Sacramento PAC vote included six ayes and two noes (four absent) to adopt a motion to "disapprove the applicant's proposal, the City Planning Division and Planning Commission's recommendation, and look at developing the site as a park."

On a separate motion the North Sacramento PAC vote included six ayes, one noe, and one abstention (four absent) to adopt a second motion stating "At this time the PAC recommends creating a park/open space on the entire site, by identifying funding sources to acquire the land; however, if funding sources are not identified, the PAC recommends development of a portion of the site and leaving a portion as open space."

VOTE OF THE SACRAMENTO HOUSING AND REDEVELOPMENT COMMISSION

At its meeting of March 3, 1993, the Sacramento Housing and Redevelopment Commission vote included nine ayes (two absent) to adopt the attached resolution (Exhibit I). In summary, the

resolution states that the project site should be retained as open space or a park, provided that a funding source can be identified. If efforts to secure funding for acquisition are not successful an alternative recommendation is to develop approximately two thirds of the site as a mixed use project and the remaining one third of the site for open space and/or a park.

BACKGROUND INFORMATION

The purpose of the early review process is to provide a preliminary screening of private development projects so that major policy and land use issues may be identified and discussed in an open forum. Upon completion of the Early Policy Review hearing, the City Council may, but need not, vote to take one or more of the following actions:

- Allow the project to proceed through the application process;
- Vote not to allow the application to proceed. No new application for the same and/or substantially similar project requiring plan amendments are allowed for period of one year following the Council decision;
- Advise the applicant that there are or appear to be conflicts with the land use plans and policies the City has adopted and recommend that the applicant modify the project to consider these conflicts and policy issues;
- Request staff to consider an amendment of the adopted policies and report back to Council (including overall consequences on possible modification to the project); or
- Council can take no action. The project would be allowed to proceed as proposed through normal processing.

The proposed project is located at the intersection of Marconi Avenue and Kenwood Street and is within the North Sacramento Redevelopment Project Area (Exhibit B). It is an 11.4 acre vacant site bounded by Marconi Avenue, a busy four-lane collector, the light rail tracks, and Kenwood Street. It is also within a quarter mile of the Marconi light rail station. The site currently contains a natural creek and a live oak savannah, consisting of heritage trees. It is zoned multiple-family (R-2B & R-3). The North Sacramento Community Plan land use designation is a combination of medium density (11-21 dwelling units per net acre) and high density (11-29 dwelling units per net acre). The Transportation Element of the Community Plan recommends that we "place higher density and people intensive uses next to public transit routes and near light rail stations whenever possible."

The developer, Washington Homes, has submitted a proposal to the City for early policy review of this development. He proposes to develop 65,000 square feet of office space, 3,000 square feet of commercial, and 54 single family homes at a density of 8.7 dwelling units per net acre. City staff and the Planning Commission have reviewed the project and made their recommendations (Exhibit F). The City Department of Public Works' comments (Exhibit G) on the project indicate that no changes to the upstream and downstream

water surface elevations (flooding) in Hagginwood Creek can result from the development of this site. Specifically, Public Works is looking for the project to be designed with a no net increase in drainage off site and no change in the inflow and outflow hydrographs.

The City Planning Commission recommended approval of the project with some modifications. They felt that because of the site's location near a light rail station, an increased housing density was warranted. They also advocated the retention of 28 trees as recommended by the City Arborist rather than the 15 proposed by the developer. The Planning Commission did not address the possibility of the site being used as a park.

Agency staff recognizes the importance of this site as a community asset and one of the last remaining oak savannahs in the Sacramento area. The City Parks Department has indicated to Agency staff that because of the many heritage trees (13 trees on the site meet the heritage tree designation) it should be developed as a park. North Sacramento Redevelopment Plan calls for the development of park space in the northern section of the redevelopment area. This site meets that requirement and would benefit future residents of Therefore, staff recommends the retention of this site as open space if possible. Several alternative means to secure the site have been discussed. Staff is researching funding options and is meeting with the owner to discuss acquisition. Discussions have included a possible land exchange for other City-owned property. To date these discussions have been unproductive. Other possible funding mechanisms staff would explore include funds from Quimby Fees, the Open Space Conservancy, City Parks Department and future tax increment.

If adequate financing cannot be identified, Agency staff would alternatively recommend park and/or open space on approximately 1/3 of the site and development of a mixed-use alternative of office, commercial and residential (10 dwelling units per net acre) on approximately 2/3 of the site.

FINANCIAL CONSIDERATIONS

The appraised value of the entire site has recently been established at approximately \$1.1 million. Inquiries into the availability of Quimby funds, Open Space Conservancy funds, and other potential funding sources will be pursued to retain the site as park use. In addition, park design, development and maintenance costs must be identified. City staff has estimated that development of the site as a park would cost approximately \$250,000 to \$300,000 and maintenance could be absorbed into the existing parks system.

If funding cannot be identified for site acquisition, expected tax increment to be generated from the proposed development of 2/3 of the site (presented as option 2 in the SHRA staff recommendation) could be used as payments to the owner for the open space/park. In keeping with assumptions made by Katz Hollis as part of the North Sacramento Redevelopment Plan analysis, a projection of incremental tax revenue has been made. Approximately \$75,000 a year in tax increment would be generated from development of a mixed-use

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(office, commercial, and residential) development on seven acres as proposed in SHRA staff's recommendation. Therefore, approximately \$75,000 a year could be available as payment to the developer or to finance a loan to pay the developer up front.

If development of the entire site occurred, as outlined in the Planning Commission recommendation, approximately \$120,000 in tax increment would be generated yearly. This would be used for improvement projects within the North Sacramento Redevelopment Area. It could be used specifically to buy an alternative site for park use.

POLICY CONSIDERATIONS

The City of Sacramento General Plan identifies the site as Medium Density Residential (16-29 dwelling units per net acre) and the North Sacramento Community Plan designates Medium Density Residential (11-21 dwelling units per net acre) for 1.53 acres (11-29 dwelling units per net acre) for 9.87 acres. Amending both plans would be necessary before any other zoning could be approved. The Transportation Element of the Community Plan recommends that we "place higher density and people intensive uses next to public transit routes and near light rail stations whenever possible.

The North Sacramento Redevelopment Plan calls for the creation of a park within the northern portion of the Redevelopment Area. The designation of open space/park on this site would fulfill that goal. If the site is not developed, as proposed by the applicant many other opportunities exist within the redevelopment area for infill housing.

The 1989 Parks Master Plan does not identify this site as a park (Exhibit J). There is a policy in the Parks Master Plan which states that a legitimate function of the Department is to identify and acquire sites containing significant native plant communities, historical or archeological resources, or examples of ecological relationships. Significant natural areas include, but are not limited to, native woodlands and savanna, riparian environments, historic sites and structures, as well as bird and animal habitat. The project site is considered to be one of the last oak savannahs in Sacramento.

The Draft Regional Transit Master Plan recommends that development densities and intensities that increase and maximize the potential transit market should be encouraged within the pedestrian threshold of light rail stations. Residential projects within a quarter mile of a rail station are recommended at a density of twenty dwelling units or greater per acre (Exhibit K). Nonresidential projects are recommended at a density of 150 employees per acre or greater. A portion of the project site is within a quarter mile of the Marconi Light Rail Station.

ENVIRONMENTAL REVIEW

The proposed project was not considered for this site in the Redevelopment Plan EIR. The Redevelopment Plan identified this site as medium density residential, thus any development proposal would require complete environmental review.

After initial L-view of the proposed development by the City of Sacramento Environmental Services, it was determined that the project may have environmental impact with regards to air quality, noise (from Marconi Avenue, I-80 and light rail), plant life (tree removal), wetlands (Hagginwood creek), land use change, and traffic/circulation (Marconi Avenue Level of Service of "F" at SGPU buildout). A noise study and wetlands delineation report may be required. Due to the proximity of adjacent railroad tracks, a Preliminary Site Assessment (PSA) may also be required.

The final determination of the appropriate environmental document and any necessary studies will be based upon the findings of the Initial Study conducted after receipt of a complete application for development. Depending on the final project put forward and the levels of involvement by the Agency, either the City or the Agency may be the lead agency for environmental review of the project.

M/WBE

M/WBE consideration are not required with this action.

Respectfully submitted,

BINA LEFKOVITZ

Director, Community Development Sacramento Housing & Redevelopment Agency

APPROVED:

JOHN E. MOLLOY, EXECUTIVE DIRECTOR Sacramento Housing & Redevelopment Agency

FOR CITY COUNCIL INFORMATION:
WILLIAM H. EDGAR
CITY MANAGER

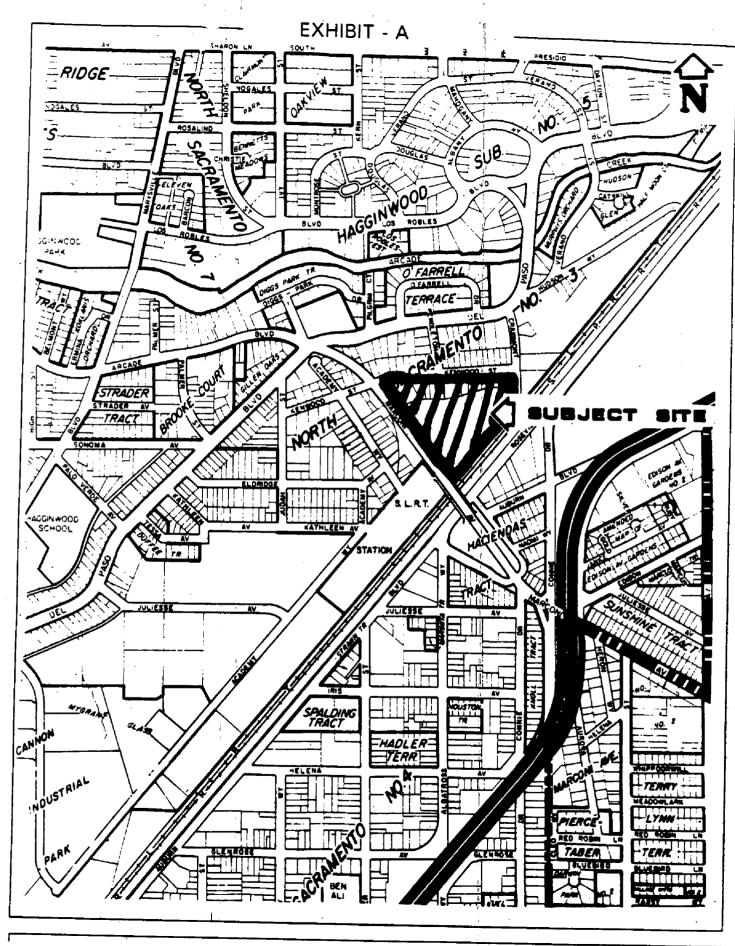
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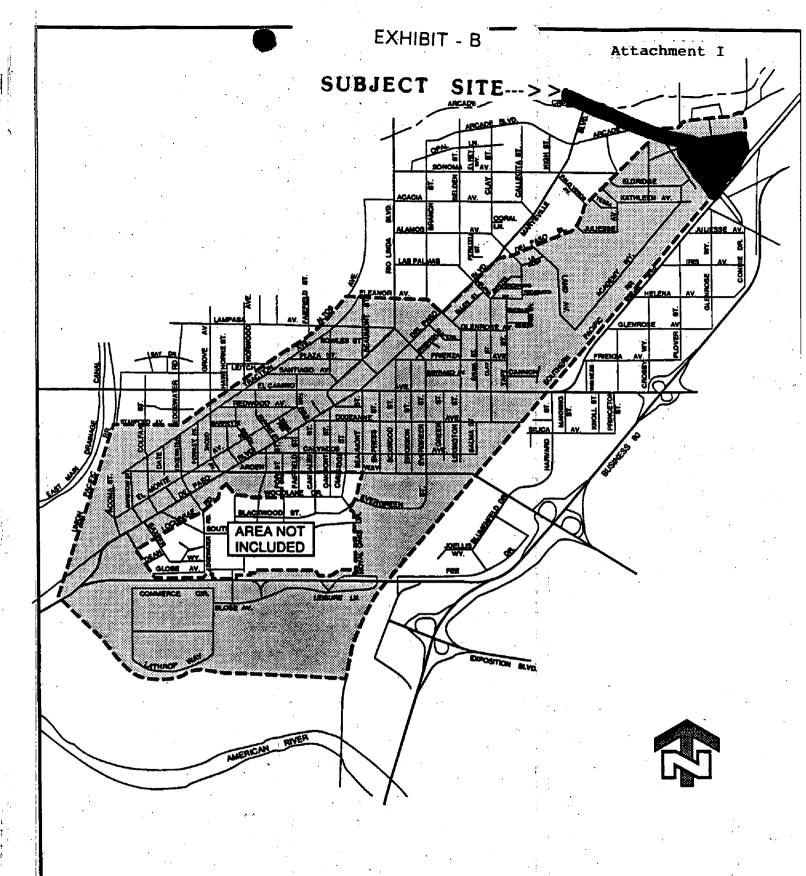
GARY I. STONEHOUSE Planning Director

APPROVED:

DIANNE GUZMAN, AICP

Director, Planning & Development





NORTH SACRAMENTO REDEVELOPMENT AREA

