

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

August 6, 1998

CALL TO ORDER

The Regular Meeting of the Sacramento City Council was called to order by Mayor Serna at 5:20 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 Mayor Serna

****** Note: At the close of the afternoon meeting, a motion was made by Council member Cohn, seconded by Council member Hammond, to continue Items 4.1 through 8.1 to the evening meeting. The motion carried with a 9-0 vote.**

4.0 STAFF REPORTS

- 4.1 Annual City/County Bicycle Advisory Committee (SACBAC) Status Report. (D-All)**

Dana Gard, Alternative Modes Coordinator, presented the report.

Mr. Gard advised that an annual SACBAC status report was required by the 2010 Bicycle Master Plan (BMP) and Ordinance No. 95-599, which created and defined the roles and responsibilities of the SACBAC.

The BMP was jointly prepared by the City and County staff, with the assistance of the Bicycle Task Force (BTF) appointed by the City Council and Board of Supervisors. The City Council approved the 2010 BMP on March 26, 1995.

According to the 2010 BMP, the purpose of the SACBAC was as follows:

- * Ensure that the 2010 BMP is implemented and updated to reflect current needs;
- * Recommend policies and provide advice to local jurisdictions regarding bicycling issues; and

- * Pursue the implementation of programs that will implement the goals of the BMP.

SACBAC also provides a forum for review of proposed developments, land use plans, and specific bicycle projects and programs.

Ed Cox, former Chair, SACBAC, continued the presentation.

SACBAC's accomplishments during the past year were discussed in Section 1 of the annual report. These accomplishments included:

- * Reviewed numerous roadway, trail and subdivision projects in the City and County;
- * Supported new funding mechanisms for bikeways, specifically the City of Sacramento Trench Cut Ordinance and AB 1020 (Bicycle Lane Account Expansion);
- * Established programming/project funding selection criteria;
- * Supported bike-friendly transit policies, including bike racks on Regional Transit buses; and
- * Supported the implementation of 22 miles of bike lanes in the City/County.

Mr. Cox referred to Section 2 of the report, which listed 78 tasks to be addressed in order to meet the goal of institutionalizing bicycling as a part of a balanced transportation system.

Critical tasks needing attention (page 20) were:

- * Enforcement (tasks 50-58), which stresses that a select group of officers should meet at least once per quarter;
- * Bicycle Safety (tasks 29-36), which urges that bicycle usage for all age groups be made as safe as that for motor vehicles; and
- * Education (tasks 37-48), which states that within two years after adoption an educational program should be initiated.

Using graphs, Mr. Cox demonstrated that the demand was growing for various bicycle uses, giving as examples health reasons and the cost of operating motor vehicles. He added that we were on track for 2010, building 10 miles of bicycle paths per year.

Mr. Cox emphasized the need for more involvement with other entities, such as the DMV, Community Colleges, and wanted to garner an overall picture.

Mayor Serna expressed concern that many cyclists do not stop at stop lights; they flaunt the law, risking serious injury. The Mayor asserted that bicycles were considered vehicles, therefore the same laws should apply as motor vehicles.

Mr. Cox advised that the same penalties applied. Mayor Serna reiterated his concern for public safety.

Council member Fargo thanked Mr. Cox for his presentation, and for the focus, saying that she appreciated the input about the Natomas development. Ms. Fargo felt that if there were more off-street bike

paths, more people would use safe routes. She inquired as to how many miles of bike paths were build last year? Mr. Cox responded that 12 miles of on-street bicycle paths were added, and 2 miles off-street.

Ms. Fargo requested a map of the City which shows the locations of the bicycle trails, with the newly added areas highlighted, so that gaps could be identified.

Mr. Gard advised that part of the area in question was in the TPG; 48 on-street projects were identified, as well as 30 off-street, prioritized. Criteria were set by BAC.

Ms. Fargo suggested having Captain Jerry come to the meeting and discuss educating the public about bicycling safety and rules. Mr. Cox advised that Captain Jerry did attend the April meeting, which was a good start, but more was needed than just an elementary school focus. Adults needed education as well and one solution was "Effective Cycling", which teaches adults to ride safely in traffic.

Mayor Serna commented that cyclists claimed they don't want to stop, that they built momentum, and frequently proceeded without stopping at stop signs and stop lights. The Mayor remarked that it was not a valid excuse.

Council member Yee inquired about a path that he had observed, located along I-5 north from Downtown, on the right side. It abutted a soundwall, continued along I-80 to Truxel Road. Mr. Gard advised that path was a maintenance trail. Ms. Fargo agreed that although that was a good trail, it did not connect with Truxel. It was along the CalTrans right-of-way, for landscaping purposes. It was Natomas-owned money, the City's road, and CalTrans' right-of-way.

Mayor Serna requested a report to determine if it could be used as a bike trail. Ms. Fargo advised that it would be all right to just do it. Mr. Gard advised that he would report back concerning the conditions on the road.

Mr. Yee requested that Mr. Cox and Mr. Gard investigate certain bicycle clubs in the south area, noting that he had received reports of discourteous riders in Seymour Park and environs. Mr. Gard was aware of the group(s) in question, and advised that they meet at a bike shop on Freeport Boulevard on Tuesdays and Thursdays. They would be cautioned as to their road manners. They had been observed traveling in a wide mass, not yielding to traffic, and blocking passage of motor vehicles.

Council member Cohn, himself a cyclist, observed that lights were not timed for cyclists, making it necessary for them to stop at more intersections. Mr. Cohn commented that people must realize that cyclists did have the right to be on the road. In some instances, cyclists were forced onto sidewalks.

Mr. Cohn approved of the suggestion that the County needed a coordinator. In addition, he urged that a recommendation be expanded to include looking at the provision of bicycle parking, repair facilities, and shower facilities. Regarding public education and bicycle safety, he urged not only working with schools, but also with adults, noting that current efforts there were inadequate. Mr. Cox agreed, noting that Captain Jerry only reached grades 1-6.

Mr. Cohn urged the encouragement of teens to continue cycling once they learn to drive.

Council member Kerth commented that existing facilities were not geared to accommodate cyclists. They were frequently forced off the road. Timing was difficult. He felt there should be more leniency regarding biking problems.

Mayor Serna reiterated his concern for public safety. He did not favor leniency, but stated that cyclists must adhere to the vehicle code for public safety reasons, to avoid injuries. Mr. Cox agreed that safe riding practices must be encouraged.

Mr. Kerth advised that pressure pads/detectors in the streets were not tripped by cyclists, who sometimes had to wait for a long time for the light to change. Mr. Cox advised that there was a system in place and he requested it whenever he could during retrofit. Mr. Kerth felt that the deck was stacked against cyclists. Mr. Gard commented that there was a report from SABA concerning intersections and cyclists.

For Council information; received and filed.

4.2 Update on First Year of City/Sacramento Zoological Society Management Agreement. (D-4)

Maria Baker, Zoo Director, presented the report.

Ms. Baker advised that on February 25, 1997, the City of Sacramento entered into an agreement (97-021) with the Sacramento Zoological Society (SZS) to take over the day-to-day management of the Zoo beginning July 1, 1997. In the first year of managing the Zoo, the Sacramento Zoological Society completed two new exhibits, one for Lion-maned Tamarins and one for Snow Leopards. In February 1998, two white tigers were added to the Zoo's collection on a temporary basis until January 1, 1999. Additionally, the Zoo held a three month promotion exhibiting robotic dinosaurs and Ice Age mammals.

These exhibits created an increase in Zoo attendance of 22%, or 448,930 (the highest attendance since 1992/93). Additionally, visitors utilizing the zoo during rentals, catering events, fund-raising events, lectures, classes, workshops, and Zoo member activities added another 20,000 to the attendance usage for the Zoo. Admissions revenue was increased by 19%, to reach an additional \$161,262 over the previous fiscal year.

Ms. Baker reported that the Zoo was operating in the black, and referenced various changes and percentages. A total reorganization of the Marketing and Development Departments into a single, more efficient and collaborative working unit was done last year, along with the creation of a new Accounting/Admissions Department and a Department of Human Resources.

Last year, community volunteerism greatly increased, to the point that some groups had to be placed on a waiting list due to time and personnel constraints.

Ms. Baker advised that major goals for Fiscal Year 1997-98 were met:

- * overcame the negative public perception of the Zoo from the previous year;
- * made a positive impact on the community and the region, the "wow" factor;
- * greater numbers of visitors were attracted;
- * the financial picture was strengthened;

- * there were more donors; and
- * attendance increased resulting in more revenue.

Ms. Baker advised that 46% of Zoo visitors came from within Sacramento County, and 50% from outside the County. Sixty-two thousand school children were serviced, including 10,000 children from Title 1 schools who were given free admission.

Council member Yee applauded Ms. Baker, staff, and volunteers, commenting that the Zoo was in great shape and has come a long way. Mr. Yee remarked that good public relations with neighbors must be maintained, specifically advising that audio events must be monitored so as not to disturb the neighbors. Mr. Yee urged Ms. Baker and staff to maintain contact with Don Abbott.

For Council information; received and filed.

- 4.3 Report back on Housing Issues pertaining to the Newton Booth Office Annex Project located at 2205, 2215 & 2217 27th Street; 2700 & 2706 V Street (APN: 010-0187-001 - 005, 007). (D-4)

Jeanne Corcoran, Associate Planner, presented the first portion of the report.

At the June 30, 1998 City Council hearing, the Mayor and City Council requested a report back on the status of the security of the housing units located at the southeast corner of 27th and V Streets and the negotiations for the transfer of these units to a non-profit group for the intended purpose of restoring the units for occupancy.

On January 15, 1997, an application was received by the Planning Division for the development of a 20,000 square foot office building to supplement the existing office use established in the former Newton Booth School located across the street at the southwest corner of 27th & V Streets. The applicant had purchased these housing units prior to submitting the application. The occupants of these units were given notice to vacate the units, which had remained vacant since the submittal of the application. The applicant also had an option to purchase a sixth housing unit at 2705 V Street.

On August 28, 1997, the Planning Commission recommended denial of the Community Plan Amendment and Rezone and denied the remaining entitlements for the project. The applicant appealed this decision. On October 28, 1997, the City Council approved an intent motion to approve the appeal and approve the project. On June 30, 1998, the applicant submitted a letter withdrawing this project effective July 13, 1998 at 5:00 p.m.

Anne Moore, Acting Executive Director, SHRA, continued the presentation.

Ms. Moore advised that Sacramento Neighborhood Housing Services (SNHS), a non-profit corporation, was working with the owner's representative for the five houses to be donated to SNHS by the second week of August. During the week of July 20th, SNHS inspected the houses and at the time this report was written SNHS was preparing a scope of work, cost estimate, and schedule to submit to SHRA. Based on an approved scope of work, the Agency would determine the appropriate rehabilitation financing assistance needed and bring its recommendation to the City Council at its August 25th meeting. A schedule for the rehabilitation of the buildings would be presented by the Agency at the August 6th City Council meeting.

Ms. Moore advised that the cost of rehabilitation was estimated to be \$350,000, and work would be completed in 6 months. Within 45 days of transfer they could accomplish what needed to be done. They were looking at a 7.5 month time line and SHRA was standing by regarding financing.

Mayor Serna urged the Agency to move quickly and smoothly and if work was not completed in a timely manner, penalties should go to the developer/owner. The Mayor advised that he wished to see structured progress. Ms. Moore commented that the representative from NHS was present earlier, but was unable to stay. She stated she would represent his position. Mayor Serna commented that he knew the developer.

Council member Cohn concurred, remarking that he understood that the site was still not secured.

Council member Steinberg expressed concerns about a statement made in the staff report: "initiating administrative penalties could put a cloud on the title". He asked if this meant that aggressive enforcement must be held off and wondered if the need to enforce the laws would take away the incentive to move on.

Ron O'Connor, Building Inspector, Housing and Dangerous Buildings, advised that wording meant the property could be sold, but let the purchaser know that there might be penalties to pay. Mr. Steinberg felt that the current owner must be held responsible for any fees, and penalties could come later if there were no action. Mr. O'Connor advised that there could be aggressive action without penalizing SHRA.

Mayor Serna wanted to see progress, save the units, and avoid permitting demolition. The Mayor urged rehabilitation. Mr. O'Connor stated that he had received a letter from the owner that they were maintaining the property. He said an inspector went by every week or two.

Mayor Serna advised that the owner must be told that any permit for demolition must come from the City Council. Mr. O'Connor agreed.

City Manager Edgar interjected that this issue must not be brought before the City Council if there was no authority; there was a ministerial right. City Attorney Jackson concurred.

Mayor Serna asked what the case would be if the units were demolished. Mr. Jackson asked whether the Mayor referred to demolition without a permit. Mayor Serna responded that if the code allowed demolition, a permit must be issued to demolish. He urged working with the owner and not prolonging this process, adding that he wished to see progress.

Council member Waters established with Ms. Moore that the cost of rehabilitation - estimated at \$350,000 - would be applied to 5 houses/owners. Mr. Waters observed that this would be \$70,000 per house. At that cost, he wondered if perhaps it would be wiser to demolish and build new homes on the site. Ms. Moore responded that SHRA would not commit without reexamining the issue, and would return to Council.

Mr. Waters was concerned about a statement in the staff report - "our contractor is ready to start the job". He asked whether this project would not be opening for bid. Mr. Waters observed that new homes could be built on the old foundations for \$70,000 per unit. Ms. Moore responded that SHRA would not make a loan commitment, saying the \$350,000 was just a ballpark figure.

Mr. Waters commented that it was presumptive to assume that \$350,000 was a done deal. Ms. Moore advised that it was NHS' intent to show how

quickly they could move on the project. Mr. Waters asked whether it was legal for the owners to demolish the property and let the site remain vacant? Mr. Jackson advised that this was a ministerial act and could be done. He clarified that unless the vacant property becomes a public nuisance, it was permissible.

Mayor Serna advised that he would not support a re-zone. The owner could demolish the units and rebuild new residential units. The Mayor observed that these existing units were not historical structures.

Council member Yee commented that no one wanted to see the houses back on the market. He added that he was in the middle. If it were not for him, there would be no communication between the developer and the neighborhood. Mr. Yee inquired as to whether the five houses were substandard. Mr. O'Connor advised that the burned building was, and that the others were becoming substandard.

Mr. Yee agreed that the one burned house had problems, noting that the remaining ones were not the same. Mr. O'Connor advised that the burned house had been vandalized inside, but that he had not been inside the others.

Mr. Yee established with Mr. O'Connor that notices proceeded from Mr. O'Connor's department, to all buildings in similar condition, if a complaint was received on the buildings. Mr. Yee asked whether these buildings were bad enough to warrant noticing. Mr. O'Connor advised that would not be done without a complaint, only if a complaint were received. Mr. Yee established with Mr. O'Connor that the complaint was filed because the building was vacant.

City Attorney Jackson advised that complaints should not be confidential, but if the complainant asked to keep the complaint confidential, staff must go through another procedure to contact the complainant, advise that a request for information had been received, and unless the complainant took action, the information could be released.

Council member Fargo suggested that the complaint might have come from her district.

Mr. O'Connor had the complaint form and noted that nothing was filled in on the source section.

City Manager Edgar recalled that the City Council instructed the City Manager to look at the buildings. Mr. Yee asked whether the owner had tried to comply with the request. Mr. O'Connor responded that he had, by boarding up the building. Mr. Edgar commented that even though the owner had complied by boarding the buildings, people were still getting in.

Mr. Yee commented that he was trying to work with the owner, but letters from the City implied a threat. He hoped the City staff would continue to work with the owner towards rehabilitation.

Ms. Corcoran wanted direction from City Council as to how to proceed. Mr. Yee urged staff to continue working toward rehabilitation with a non-profit organization, and to hold back on threats so as to forestall owner demolition of the properties.

Mayor Serna commented that the mistake was in allowing the buildings to run down. It seemed to be a deliberate blight, in order to force City Council agreement. He advised that the City Council wanted this issue resolved quickly. He did not want to see the conflict in the

neighborhood continuing. The Mayor stated that if the City allowed demolition, new residential should replace them. Otherwise they needed to rehabilitate with SHRA.

Ms. Fargo asked why this takes so long? Ms. Corcoran deferred to Ann Moore.

Ms. Moore advised that the transfer decision was proceeding, and was expected to be accomplished during the second week of August. Ms. Fargo observed that this was a frustrating situation, adding that the owner created the problem and could resolve it. The neighbors were equally frustrated, she noted.

Ms. Fargo wanted the homes made liveable again. She observed that there had been extensive vandalism, adding that it was more important to proceed with rehabilitation than to levy administration penalties. Regarding the whole process of demolition, Ms. Fargo stated that it was her understanding that it was illegal to demolish property that was in the process of a re-zone. Ms. Corcoran responded that the applicant had withdrawn the request for a re-zone. Mayor Serna again urged getting the project underway.

Council member Cohn asked Ms. Moore whether it would be more marketable to build new homes at the site, comparable to properties at 27th and H or Twin Palms. Mr. Cohn wanted a candid assessment regarding marketability. Ms. Moore responded that there was some advantage to building new homes because of better amenities. Mr. Cohn urged that that approach be used if it would be a better investment, since it seemed the owner was willing to go either way.

Ms. Corcoran advised that a re-zone and entitlements would be needed along with that if new properties were built there. Mr. Cohn advised that the City Council would approve that. Mr. Cohn recalled a Folsom property which was demolished and re-zoned. After that, staff was to change the ordinance to reflect that property could not be demolished unless it was noticed. Mr. Jackson recalled the issue, and the direction to bring back to Council. Mr. Cohn recalled that it could be done at staff level. Mr. Jackson advised that the question concerned demolition in general.

Ms. Corcoran needed a particular location to know if the zoning administration had set up authorization for a notice. She stated that the issue was a house move regarding the required noticing and where it was, where it was moving, and demolition.

Mr. O'Connor did not know about the Alhambra corridor and he advised that staff would return with information. Mr. Cohn was certain that direction had been given that before a house was demolished in Alhambra it had to be noticed. City Manager Edgar commented that was referring to demolition in general.

Mr. Waters agreed that it was the Alhambra corridor only. He asked whether 27th and V was in the Alhambra corridor. Mr. Cohn replied that it was.

Mayor Serna asked Ms. Moore whether, if this property were demolished, the developer would be eligible for new single-family residential on that site. Ms. Corcoran responded that NHS could do new construction. Mayor Serna asked which would be more sensible to do economically - new construction or rehabilitation. Ms. Moore advised staff could return in 2-3 weeks with information about the transfer and an analysis of the costs, etc.

Council member Steinberg commented that the bottom line was preserving housing, even if the City must finance. Mr. Steinberg suggested that the City hold off on the administrative penalties and reschedule every 2-3 weeks until the title of transfer was perfected. He also noted that there is a significant hole in the law regarding property bought on speculation. There was a need for some prohibition to demolition in that instance, which would provide some protection to residents. Mayor Serna directed staff to schedule that issue before the Law and Legislation Committee.

Council member Kerth commented that in Del Paso Heights, his experience had been that if a property was not a significant structure historically or otherwise, it was better to tear it down and rebuild.

Mr. Yee questioned how penalties could be imposed so long as the owner did what he was asked to do.

Mr. Waters asked, when staff returns, if information concerning the Alhambra corridor could be clarified, as to whether a rule was in place stipulating that an owner couldn't demolish property there unless noticed.

Ms. Fargo urged that staff not be left with a mixed message, noting that a letter had been sent. Mr. O'Connor advised that it was a preliminary letter. Ms. Fargo agreed that it was appropriate and felt that staff was on track.

Mayor Serna advised that he had asked staff to return to Council with a comprehensive code enforcement program, adding that there must be no back-pedaling. This was a City Council direction to clean up the City from recalcitrant landlords.

PUBLIC TESTIMONY

Ken Wemmer, representing NAAG, a coalition of Neighborhood Associations trying to get problems resolved, advised that he had met with Mr. Bell and determined that he does not want to demolish the property. Jones and Stokes were pressuring Mr. Bell to do what was right. The neighbors wanted the properties restored and kept affordable. Mr. Wemmer felt that the penalties should be on the owner, not the property, adding that Central City housing must be maintained. Mr. Wemmer urged Council and staff to allow Mr. Bell another week, extending to no later than September 1st to resolve the issue. He recommended NHS, which had proven ability to do the job.

Mr. Yee was pleased to receive Mr. Wemmer's information, observing that some of Mr. Bell's delays were technical in origin. He urged Council to work with Mr. Bell. He directed staff to work with him directly, and urged Council's patience.

Mr. Wemmer added that Mr. Bell stated that he *will* make the transfer to a non-profit agency. The neighborhood association was assessing costs and did not believe the \$350,000 figure was reasonable, that it would be less.

Jeff Johnson, represented Whynot Community Housing, which was certified by United Way and HUD and had 25 years experience with real estate brokers and contractors. Mr. Johnson advised that Whynot had tried to acquire Mr. Bell's properties, but so far Mr. Bell had wanted to go with NHS. Mr. Johnson estimated that rehabilitation construction could begin in 45 days, with 180 days to do build-out. Properties would then be marketed through the First Time Home buyer program. A new home would

require a whole new package with lots surveyed. He reassured Council that rehabilitated homes would be in demand.

Mayor Serna established that Mr. Johnson's company was in contact with SHRA. Mr. Johnson stated that Whynot had many successes in the past three years. They had houses underway in San Jose Way and several other projects which he detailed.

Mr. Johnson advised that Whynot Community Housing had its own financing and would need no help from the City.

Mr. Waters observed that the foundations would have to be raised by 3 feet, per FEMA regulations, if new homes were constructed on the site. Mr. Johnson felt that rehabilitation was the best way to proceed. Mayor Serna commented that City Council couldn't help their situation, that they needed to work with SHRA.

Ed Cox, representing SOCA, commented that if new houses were built requiring a 3 foot elevation, they would be out of synch with the existing neighborhood. He added that no one really knew what was wrong with these properties, since no one had been inside them, except for the burned house. It may be that the rehabilitation costs would be less than estimated.

For Council information; received and filed.

4.4 Ace Parking Management Company - Amendment No. 1 to City Agreement No. 97-161 extending term of agreement for a period of three years from October 1, 1997 through September 30, 2001 for operation and maintenance of Lots G, K, and U. (D-1)

This item was continued to August 11, 1998 [staff].

4.5 "2000" U.S. Olympic Track and Field Trials Status Report. [oral] (D-All)

John McCCasey, Executive Director, Sacramento Sports Commission, presented the report.

Mr. McCCasey advised that administration had reached an agreement with U.S. Track and Field, assisted by Cleve Livingston. Staff was close to a contract with the University to use their facility. Filing papers for a non-profit had been received, which would allow fund-raising in order to remove financial liability from the City or County.

Mr. McCCasey stated that staff had created twenty-three working committees to work on setting goals and objectives as well as budget and time tables. He advised that Alex Spanos was involved in fund-raising efforts and stated they had their 501-C3-4. The marketing/sales plan was nearing completion and afforded sponsorship opportunities and corporate packages.

Regarding the facilities, bids were been solicited, and MONDO, USA was awarded the contract. The company has built previous Olympic tracks. Work started one week ago on the primary track.

Mr. McCCasey advised that staff would interact with community outreach to various ethnic chambers to develop a group for athletes, provide youth group tickets, and a hall of fame exhibit. He added that the next phase was to finalize marketing.

Mayor Serna commented that this was an important project to Sacramento and the region. He urged the City Council to get involved, saying that any problems that might interfere with the success of the program must

be identified.

The Mayor appointed an Ad Hoc committee composed of Council members Cohn, Kerth, Hammond and himself to assist Mr. McCasey in making sure it was a success, and to provide constant contact with the Council. Failure of this program was not an option.

Mr. McCasey stressed that the money raised for this venture went into the non-profit, not Sports Commission funding. The non-profit funding would go toward the Gymnastics National Championship next year as well as the Olympic Trials. Mayor Serna established with Mr. McCasey who the non-profit membership was comprised of.

Council member Cohn commented that the paving of the extension of Jed Smith Drive to Folsom Boulevard would help, and that the University of California, Sacramento might contribute to that.

Mr. McCasey advised that Wendy Hoyt and Alan Telford were working on transportation, and were in contact with Regional Transit.

For Council information; received and filed.

5.0 SHRA

Public Hearing

- 5.1 Tax Equity and Financial Responsibility Act (TEFRA) Hearing for Sun Garden Plaza Apartments located at 6248 Lemon Hill Avenue. (D-6)
- A. Approve the issuance of \$3,400,000 in tax-exempt mortgage bonds by the Association of Bay Area Governments (ABAG) Finance to refund bonds originally authorized by the City Council for the acquisition and rehabilitation of the Sun Garden Plaza Apartments; and
 - B. Approve the holding of a Tax Equity and Financial Responsibility Act (TEFRA) public hearing in connection with the proposed bond refunding.

Beverly Fretz-Brown, SHRA Director of Housing Development, presented the report.

Ms. Fretz-Brown advised that Sun Gardens was a 150-unit multi-family complex located at 6248 Lemon Hill Drive, Sacramento, CA. The complex was constructed in 1971 and consisted of one, two, three, and four bedroom apartments. Prior to the purchase of the property by the current owner, the complex had a history of social problems and disinvestment.

The project was purchased in August, 1997 and the new owners were completing a \$1,055,000 rehabilitation of the property. The original community room would be expanded and utilized by the Lemon Hill Circle Association for various classes and recreation activities.

At the time of purchase, the project was financed with a combination of tax-exempt bonds issued by ABAG and "four percent" low-income housing tax credits. It was anticipated that HUD would approve mortgage insurance. The proposed mortgage revenue bonds re-funding would not be an obligation of the City or ABAG. Instead, they would be obligations of the project owner and would be triple-A rated. All costs associated with the bond re-funding would be the responsibility of the project owner.

Council member Steinberg commented that this had been a troublesome area several years ago. The partnership and physical rehabilitation of the property made a big difference. Lemon Hill Circle had provided a spark of hope. Mr. Steinberg expressed his desire to move ahead with the

project. He suggested construction of benches and barbecues, and planting shade trees to encourage the positive socializing.

George Chance, representing the Lemon Hill Circle Program, advised Council about the relationship formed on behalf of Sun Garden Apartments to help youth and families. Mr. Chance stated that the results were beginning to show. He recommended moving forward with the project.

Mayor Serna congratulated Mr. Chance for his good work.

6.0 COUNCIL IDEAS AND QUESTIONS

6.1 Council member Yee requested Reina Schwartz, Solid Waste Manager, to come to the next Council meeting to advise the public as to how to go about changing the size of their garbage containers. Ms. Schwartz agreed to appear on August 11, 1998 with details about the time frame and delivery.

6.2 Council member Kerth discussed the current practice of installing back-flow preventers in the City parks, advising that they create a drop in water pressure and cause the sprinkler systems to fail, which browns the grass. Mr. Kerth requested additional information as to how to fix the problem, or suspend the use of back-flow preventers until a solution is found.

Mayor Serna referred the matter to the City Manager and requested a report back.

6.3 Council member Cohn concurred with Mr. Kerth regarding the browning of the grass in the parks. Mr. Cohn reported that he had received positive feedback concerning the pool program. He felt the time should be extended because of the positive effects it has provided for families.

6.4 Council member Cohn discussed a problem which has arisen on H Street during the time it has been closed for construction. The contractor will not be able to meet the August 7th deadline, and businesses are experiencing stress due to the street closure. Mr. Cohn requested that H Street be reopened next week, even if only one lane at a time.

Mayor Serna questioned City Attorney Jackson as to whether this action would create any unusual liability for the City, to which Mr. Jackson replied that there is always liability to some degree in a construction zone.

The Mayor referred the issue to the City Manager.

6.5 Council member Waters inquired as to whether the contractor for the H Street project was working 7 days per week. Mr. Cohn advised that work was not being done on the weekend. Mr. Waters established with Mr. Cohn that there was a penalty clause in the contract, but it was a small one.

6.6 Council member Yee questioned City Manager Edgar about the status of a report back that he and Mr. Waters had requested concerning the two Globe Mill projects. Mr. Edgar advised that he would look into it.

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7.0 CITIZENS ADDRESSING COUNCIL (MATTERS NOT ON AGENDA)

7.1 Michael O'Gorman, representing the North Midtown Advisory Commission, advised Council concerning the rapid decline of quality of life on D Street, due to the new traffic diverters/ traffic calming policy. Mr. O'Gorman stated that residents on D Street now feel as if they are under

assault; since traffic on E, F, G, and H Streets has been redirected, D Street has experienced a 500% increase in traffic volume, creating untenable conditions for residents.

Mr. O’Gorman advised that drivers are angry at being diverted, so they are speeding, running stop signs, etc., and in general making it hazardous for the elderly, the physically impaired, and children. Traffic “calming” is not happening on his street, he stated, and urged that the City does not pursue the policy of waiting for a year to assess the effects of the diverters.

Mayor Serna agreed with the need for urgency in solving the problem, and urged staff to do so immediately. The Mayor suggested that Mr. O’Gorman meet with staff to discuss the issue.

Council member Cohn agreed with Mr. O’Gorman’s estimate as to the extent of increased traffic, adding that when the half-closures went in, there are now over 2,000 cars per day using D Street. C Street has even more, he added. Mr. Cohn suggested looking at the numbers after August 15th, when H Street reopens. He noted that the EIR identified exactly the increase that occurred, adding that not just the number of cars per day, but the number of cars during rush hour must be considered. Mr. Cohn advised that he would meet with the neighbors to discuss the problem.

Mr. O’Gorman stated that the neighbors do not want to direct traffic onto other streets, but simply desire equal treatment.

7.2 Ed Cox, a resident of E Street, advised that E Street used to have 6,000 to 7,000 cars per day; when the closures were implemented, there was a radical decrease. At 28th and E Streets, as traffic nears a closure, most of the cars turn right. Mr. Cox suggested that a sign be placed indicating that a left turn leads downtown.

Council member Fargo suggested that another option would be to put a sign on Interstate 80 clearly directing traffic to J Street, not E Street.

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8.0 Recessed into CLOSED SESSION at 8:17 p.m.

8.1 Pursuant to Government Code Section 54956.8 for matters pertaining to real property negotiations relative to former CHP Academy property located at 2810-2814 Meadowview Road.

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9.0 SPECIAL PRESENTATIONS/GENERAL COMMUNICATIONS

None

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10.0 PUBLIC HEARINGS

None

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11.0 **STAFF REPORTS**

None

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12.0 **SHRA**

None

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13.0 **COUNCIL IDEAS AND QUESTIONS**

See 6.0 above.

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

See 7.0 above.

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15.0 **ANNOUNCEMENTS**

None.

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ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 8:40 p.m.

Submitted


Valerie A. Burrowes, City Clerk

Approved


Jimmie R. Yee, Mayor