

MINUTES

OF THE

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

REGULAR MEETING

AUGUST 25, 1998

CALL TO ORDER

The Regular Meeting of the Sacramento City Council was called to order by Mayor Serna at 7:04 p.m.

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

9.0 SPECIAL PRESENTATIONS/GENERAL COMMUNICATIONS

- 9.1 Resolution Commending Vince Dutcher and Cole Dutcher for outstanding heroism. (D-4)

The resolution was presented by Mayor Serna. Mr. Yee commended both men for their actions in saving a neighbor from a vicious dog attack.

- 9.2 Recognition of the "Great People, Great Ideas" Neighborhood Beautification Contest winners.

Kelly Montgomery, Area Director informed the Council that these citizens were being recognized for their efforts in improving and beautifying their neighborhoods. She read all of the winners names into the record and said they would also be displayed on the City's web site.

- 9.3 Recognition of the North Sacramento Youth that participated in the Lifeguard Training Program.

Kelly Montgomery briefly spoke about the program and said that 13 participants from the program had been hired by the City as lifeguards. She also spoke about the community partners from CSUS, and local coaches.

Mayor Serna thanked Council member Kerth for sponsoring this program.

9.4 Recognition and award from Neighborhood Associations.

Fran Barton, representing ten neighborhood associations, recognized the City of Sacramento for its commitment to the community.

9.5 Recognition of the Sacramento Mandarin Drum and Bugle Corps. (D-4)

The resolution was presented by Mayor Serna. Mr. Yee congratulated the Corps membership and said they were celebrating their 35th year.

10.0 PUBLIC HEARINGS

None

11.0 STAFF REPORTS

11.1 Designation of Excess Distributions from the Sacramento Metropolitan Cable Television Commission. (D-All)

Mark Griffin, Senior Management Analyst, stated that Councilman Steinberg had requested a report back on alternative uses of reserve or excess distributions from the Sacramento Metropolitan Cable Television Commission (SMCTC) and suggested that a Youth Development Fund for capital projects would be an appropriate use. Staff prepared today's report to respond to that request by identifying criteria that could be used to develop such a program.

Mr. Griffin said the City would receive cable revenue in excess of both guaranteed minimums and approved revenue budget expectations for fiscal 1998-99. The excess was estimated to be \$296,470.

According to Mr. Griffin, there is a need throughout the city for youth services including several planned capital projects that are not funded. Large-scale capital projects that were planned but not funded included at least two Boys & Girls Clubs - one on Lemon Hill Avenue and one in Gardenland. In addition, there are recognized shortages of bantam soccer fields and well as little league and softball fields. Other youth-oriented needs included skateboard and roller hockey parks, teen centers and other projects serving teens. Many existing community center youth rooms were also in need of rehabilitation and expansion.

Mr. Griffin said staff had developed a process and policies for the allocation of excess funds. The process attempts to address what is the "one time" or uncertain nature of this resource, as well as Council policy priorities for public/private partnerships, neighborhood revitalization, economic development and youth-oriented initiatives. The review process would involve the Citizen's Advisory Committee (CAC) and Youth Commission with the assistance of Recreation programming staff. Proposals would be submitted to CAC for consideration.

Ralph Pettingell, Recreation Manager, distributed a partial list of youth-related capital projects for the Council's information.

Mayor Serna encouraged staff to include the City Farms area on Franklin Boulevard. He also asked if some of the funds could be used for the Meadowview Center field.

Mr. Pettingell replied yes, they could.

Councilman Steinberg asked if this surplus money would be included in the base budget.

Betty Masuoka, Deputy City Manager, replied it would not be included in the base budget.

Mr. Steinberg asked if there was any extra money from the State for 1998/99; Ms. Masuoka replied no, there was not.

Mr. Steinberg spoke of the importance of the City and the community annually supporting projects for the youth of the City.

Councilwoman Hammond spoke about the possibility of using the surplus funds for teen centers.

Mr. Pettingell replied that the current surplus funds were being recommended for capital projects; however, he had specific ideas for teen center funding.

Councilman Cohn thanked Mr. Steinberg for bringing this item forward to Council. He said teen programs had been sorely underfunded for many years. He also stated that he needed a clearer understanding of how this program would fit into the overall budget process.

Councilman Kerth also thanked Mr. Steinberg for bringing this issue to the Council. He said spending money on capital projects was a good idea, but money also had to be identified for their maintenance.

Councilman Waters confirmed that the State would be returning money to local government for the next two years.

Ms. Masuoka replied that for the next two years, the State would be backfilling money that they had taken from cities.

Mr. Waters stated that he wanted to study this plan in greater detail. He felt that a skateboard park would be a welcomed addition for youth. He requested further analysis so that the Council could find a project on which they all could agree.

Councilman Yee informed the staff that their list of projects was fine; however, there were no projects in his district.

Councilwoman Pannell stated that children in her neighborhood could not go to centers in other neighborhoods, so she favored money being set aside for Parks and Recreation projects.

Mr. Steinberg said the ultimate goal was to set up a fund to pay for projects in all of the districts, and to have a sustained fund for on-going commitment to the youth of Sacramento.

Ms. Fargo recommended that this process be sent to the advisory commission for their input.

Mayor Serna asked when this issue would return to Council. Mr. Steinberg replied by mid October.

Mr. Yee asked if each Council member would have the opportunity for input; Mr. Pettingell replied yes.

A motion was made by Councilman Steinberg, seconded by Councilman Kerth to dedicate excess reserves to a youth fund and to direct staff to report back to Council by mid October on specific projects, after having been briefed by the advisory commission.

Fred Teichert stated that 41% of a youth's time is discretionary. He urged Council's support of staff's recommendations.

George Chance, Elizabeth Hansen, John Packowski, Bill Wong, Darrell Roberts, Alex St. James, May Lee and Carole Ching spoke in support of the staff's recommendations.

A roll call vote was taken on the motion which passed 9-0.

11.2 East End Project - State of California, bounded by 15th, 17th, L and N Streets. (D-1,3,4)

Tom Lee, Deputy City Manager, gave a brief overview of the proposed East End Project. He stated that in 1991/92, the State announced that it would be moving 1.4 million square feet of office space from the downtown area. Mayor Rudin and the Council worked with the State to change its policy. The East End Project and CalEPA buildings are a result of this strategy change.

According to staff, the East End Project will be a massive addition to downtown and will have a tremendous effect on the infrastructure and the community. It will enhance the revitalization of the downtown mall, will have a very positive economic effect on the midtown restaurants and retail shops, and will create a strong population base for downtown housing.

The project has created strong and diverse opinions by neighborhood groups, reviewing agencies, and the different City departments. In response to City policies, the architects have created linkages to the different downtown and midtown areas. The State and City have reached agreement in several areas, but further agreements must still be reached.

Mr. Lee introduced Senator Johnston who spoke on behalf of the State of California.

Senator Johnson said the State always considers the interests of the community before they construct any office buildings. In addition, the partnership that had been formed between the State and the City was excellent. He recommended that both sides work together to assure that this project went forward without any additional legislative approval.

According to Senator Johnson, the location, cost or space of the project could not be modified without returning to the legislature. The community could have input, within reason, but significant changes would cause significant delays.

Mayor Serna inquired if changing land uses would cause it to return to the legislature.

Senator Johnson replied that staff could not change the office space requirements already approved.

Councilman Waters asked if the project could begin before Wilson left office if the City or County had no major concerns.

Senator Johnson responded that if all parties moved forward consistently, the next governor would re-affirm what had already been approved.

Councilman Yee discussed his concern with handicapped cafeteria employees working after normal business hours.

Senator Johnson replied that State staff would work with the Department for the Disabled to work on this issue.

Councilwoman Fargo said it was important to agree on several issues. She stated that parking was inadequate; housing was an issue; and so was the design of the project. She inquired about how willing the legislature was to work on design.

Senator Johnson replied that he would prefer to respond at a later time on what might be possible. He said the City wouldn't want the State to be designing its neighborhoods.

Mayor Serna asked the amount of the budget for the project; Mr. Lee replied \$392 million.

Mr. Lee stated that tonight's presentation by staff was just a workshop; no action would be required by Council. The community had some concerns, which staff felt the Council should hear, and then give further direction to staff. He said the project's schedule was outlined in the staff report with the benefits of the project listed on page 4 and the issues listed on pages 5 and 6.

Mr. Lee introduced Gene Spindler, from the State of California Department of General Services who spoke briefly about the first implementation phase of the project.

Ron Alvarado, representing CADA, spoke about the project's impact on the City's housing element.

Assembly member Deborah Ortiz said she appreciated the Council staying focused on this project and reminding the community of its importance. She agreed that it had to be compatible with the residential factions of the City.

Assembly member Ortiz said the State requested \$5 million from CADA for additional housing. Retail elements had to be fixed. In addition, there needed to be child care for state employees. To date, there has been no commitment from the State, but the women's caucus was working on it.

Mayor Serna stated that child care facilities had already been designed into the project. Assembly member Ortiz replied the women in the assembly would like more.

Councilman Yee asked Assembly member Ortiz if she could try to get some kind of exemption from the State Department of Rehabilitation related to the State run cafeteria.

Assembly member Ortiz replied that she would work on having a commercial restaurant on the street level and a state-run cafeteria elsewhere in the building.

Councilwoman Hammond stated that 30 years ago the State of California made a commitment to the State Department of Rehabilitation that they had a monopoly for the disabled community to run all State cafeterias. However, if there were additional eateries in the project, there should be no problem.

Councilman Cohn asked Ron Alvarado from CADA about the replacement housing for the 51 housing units that would be displaced at 16th and N Streets by this project. He asked if the \$30,000 gap financing included site preparation.

Mr. Alvarado replied site preparation was included.

Scott Johnson, representing the architectural firm for the project, spoke about the project's design and informed the Council that his firm specialized in urban design.

Mr. Johnson said he and his associates had attended workshops on the project; studied community plans, CalTRANS plans, etc.; and addressed concerns related to parking, density and pedestrian access. He said this was a transitional neighborhood, and therefore he needed to create a bridge with the project and its surroundings.

According to Mr. Johnson, mass and density were his greatest concerns causing him to reduce the height of the project at two intersections to make it compatible with the neighborhood. He also spoke about maximizing landscaping and pedestrian access. He proposed building some basement parking to significantly reduce the presence of the car, and to arrange for freight delivery to be made at the basement level in order to remove it from the residential areas in close proximity.

Mr. Johnson informed the Council that seven local architects had analyzed the project and wanted to speak to the Council.

Kevin Donally, representing the seven local architects, said they had concerns about the project, not Mr. Johnson or his firm.

Mayor Serna asked Mr. Donally if he or his associates had testified during the legislative hearings on this project. Mr. Donally replied no, they had not.

Ron Berlux, one of the seven architects, stated that they did not want to undo the project, change the amount of office space or parking. What they wanted to do was to carve out some space for housing.

Mr. Berlux said widening Capitol Avenue was not necessary and would create a wide, dead space. Currently, Capitol Park was unsafe at night, and that atmosphere would just be extended into the project. He recommended that the excessive use of arcades could be deleted, thereby leaving room for housing. He added that was Capitol Avenue needed was a mix of uses and a mix of people.

Mr. Berlux recommended housing opposite the park and at the east end of the project to bridge the project to the surrounding residential neighborhood. He said the State listened to all of the community concerns, but did not address them. What needed to be improved was the urban design of the project. He requested that the Council put a little pressure on the State to do a better job.

Mayor Serna responded that the City was concerned that they could lose the project, if they demanded more changes.

Mr. Berlux replied that was not his intent.

Councilwoman Fargo asked Mr. Berlux how many housing units his group was proposing; he replied 100-150.

Councilman Kerth asked Mr. Berlux if the Council would endanger the project if it wanted to include his proposed housing.

Mr. Berlux replied that he didn't see why it had to be that way.

Mr. Kerth questioned why there needed to be 40 housing units in each block of the project.

Mr. Berlux replied sufficient housing units would keep the city blocks alive, rather than dead after businesses closed for the day.

Councilman Cohn asked Mr. Johnson if he would be changing his original

Mr. Johnson replied that his design was to be continuity of the historical design already present in the surrounding government buildings, and a bridging of the government buildings to the surrounding neighborhood.

Eppie Johnson, local businessman, spoke in favor of the project and its design. He urged Council's approval.

John Dondell stated that his family had owned property at 16th and L Street for over 70 years. He supported the project as an attractive asset to the community.

Michael Ault, representing the Sacramento Downtown Partnership, also spoke in support of the project as a great investment in the downtown area.

Julia Virga, from Virga's Restaurant at 17th and O Street; John Hodgton, from CADA; Richard Ross, owner of a building at 17th and L; Tom Nelson, owner of a pharmacy in the neighborhood; Brian Royce; John Lambeth; Muriel Johnson, Sacramento Supervisor; Dana Hansen; Michael Justice; John Hamilton; Al Dreyfuss; Brian Holloway and David Taylor all spoke in favor of the project.

The following people spoke against the project: Red Baines, Jennifer Lanstroup, Marjorie Winters, Ed Cox, George Branstrom, John Schnyder, Gloria Scott, Lynne Dunbar, Ken Wemmer, and Phil Harvey. They generally objected because of safety concerns; the removal of heritage trees; traffic; parking; and the location of retail establishments.

Phillip Harvey, Chair of the Planning Commission, stated that they supported housing on the site and had expressed concerns about the retail location and the parking.

Mayor Serna stated that he had assigned a working group for this project that consisted of Council members Fargo, Yee, Cohn and himself. The working group's direction to staff contained 10 recommendations and was distributed to the Council for their comments.

Mr. Yee said that he felt number eight on the list - to relocate the Moderne/Apartment Style apartment buildings within the project to a CADA site in the Capitol Area - should be deleted. He did not think these buildings had any significant historical value.

Ms. Fargo stated that she felt there were three other issues: the project site was a prime spot for housing and that it should be added; the preservation of the trees in the area should be considered; and the design of the project still needed a lot of work.

Sam Jackson, City Attorney, told Mayor Serna that the working group should provide direction to staff.

Direction was provided by the following series of motions:

A motion was made by Councilman Cohn, seconded by Councilman Yee to provide direction to staff on the working group's recommendations omitting recommendation number 8. The motion carried with an 8-0 roll call vote, with Councilwoman Hammond abstaining.

A motion was made by Councilwoman Fargo, seconded by Councilman Cohn directing staff to study alternatives to saving additional trees. The motion carried with an 7-1 roll call vote, with Councilman Yee voting no, and Councilwoman Hammond abstaining.

A motion was made by Councilwoman Fargo, seconded by Councilman Cohn to work with the State's General Services department to refine the design of the project. The motion carried with an 8-0 roll call vote, with Councilwoman Hammond abstaining.

A motion was made by Councilman Cohn, seconded by Councilwoman Fargo directing staff to pursue housing along 15th Street across from Capitol Park provided that it does not delay the project or cause it to be returned to the Legislature. The motion carried with a 7-1 roll call vote, with Councilman Yee voting no, and Councilwoman Hammond abstaining.

12.0 **SHRA**

None

13.0 **COUNCIL IDEAS AND QUESTIONS**

13.1 The following people spoke in support of the mid-town traffic plan, and urged the Council to give it a fair trial period: Margaret Buss, Ed Cox, Ann Gonzales and Gloria Scott.

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

None

15.0 **ANNOUNCEMENTS**

None

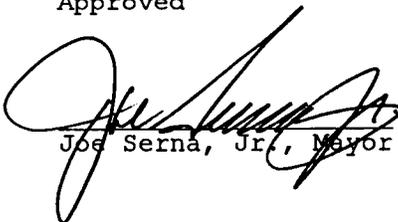
ADJOURNMENT

There being no further business to come before the Council, the meeting was adjourned at 12:55 a.m.

Submitted


Valerie A. Burrowes, City Clerk

Approved


Joe Serna, Jr., Mayor