



Agency Rpt. 32

# SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

September 24, 1981

Redevelopment Agency of the  
City of Sacramento  
Sacramento, California

CITY MANAGER'S OFFICE  
**RECEIVED**  
OCT 7 1981  
**APPROVED**  
SACRAMENTO REDEVELOPMENT AGENCY  
CITY OF SACRAMENTO

Honorable Members in Session:

**SUBJECT:** Ramona Hotel Rehabilitation  
Approval of Redeveloper's Final Plans

SUMMARY

OCT 13 1981

Western International Properties, the present redeveloper of the Ramona Hotel, has submitted final plans for the scope of development of the Ramona Hotel for approval by the Agency. Approval of the proposed plans will require a redesign by the Agency of the completed engineering and revision to plans for the reconstruction of those portions of 6th Street and Merchant Street adjacent to the Ramona Hotel.

BACKGROUND

Western International Properties is the current owner of the Ramona Hotel building located on the southeast corner of 6th and "J" Streets. Previous owners have entered into an Owner Participation Agreement with the Agency for the rehabilitation of the Ramona Hotel Building. The original Owner Participation Agreement was entered into on July 31, 1961 and amended February 27, 1968. Per the terms and conditions of the Owner Participation Agreement, Section 13, the Agreement is binding upon and obligates the property and the successors in interest to the Agreement. Therefore, Western International Properties is obligated to perform per the Agreement. Section 3 of the Agreement states that the owner shall not be required to perform any of the terms or conditions of this Agreement until such time as "construction of building improvements by redevelopers shall have commenced on the north one-half of the block bounded by 6th and 7th and 'K' Streets." These improvements, comprising the Liberty House department store and office building, are complete or nearing completion. Therefore, the rehabilitation of the Ramona Hotel must now be undertaken by the new owner, Western

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International Properties.

Per the Agreement, final plans are being submitted for approval. Within sixty (60) days after the approval of the final plans by the Agency, the Redeveloper shall commence the rehabilitation of the Ramona Hotel (subject to the timely issuance of a building permit).

The design concept for the rehabilitation of the Ramona Hotel is a very straight-forward practical solution. The primary design approach is to develop a plaza setting for the building and to open the building toward the east, as well as to the north and west, with new window and door openings. The general appearance of the building, as proposed, will be altered slightly by new paint and the addition of large half-dome, colored awnings. The interior design places emphasis upon code compliance for the development of the maximum amount of net rentable space to achieve rehabilitation cost effectiveness.

This approach has solved many of the problems that the Fire Marshal and Building Department had with previous proposed rehabilitation plans for this building that incorporated large multistory open atriums or interior courtyards. The proposed building use is for office space on the second through fifth floors and retail and/or office use on the street level.

The Redeveloper's plans propose new awnings over the City sidewalk. Exhibit "B", Section 1.3, of the Owner Participation Agreement requires the removal of "disappearing and other type sidewalk awnings, frames, and mechanisms". This requirement will need to be deleted from the Agreement if the plans, as proposed, are to be approved.

Upon receipt of the preliminary plans, staff forwarded them to City Traffic Engineering for review and comment, which has been received by the Redeveloper's architect and Agency. Upon receipt and review of the City Traffic Engineering Department's comments, staff and Mr. Forrar met with Mr. Frink and resolved the question posed by them. City Traffic is now agreeable to the concept as presented in the plans but has required revisions both to the Redeveloper's plans for the development of 6th Street and the service area of what remains of that portion of Merchant Street. These revisions necessitate the revision to existing Agency plans for the reconstruction of these two street areas as designed by the City Engineering Department for the Agency. These street

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improvements, per the Redevelopment Plan, are the responsibility of the Agency. The original plan for the service area design was to fill and "super-elevate" the corner at the intersection of 6th Street and Merchant Street at the southwest corner of the Ramona Hotel, which would have put the street and the Downtown Plaza loading dock at the same level. Per City Traffic Engineering, the redesign will eliminate the need for the fill and super-elevation which will result in a substantial reduction in reconstruction cost of the roadway and service area. However, the Agency will incur the cost of the re-engineering and revision to the construction drawings. The redesign will also include revisions requested and necessitated by the Redeveloper's proposed plans. These revisions, which will be for the design and construction of a sidewalk which exceeds what the City/Agency would normally construct, shall be done upon a cost sharing basis between the Redeveloper and the Agency.

### FINANCIAL DATA

The City Traffic Engineering Department has approved the proposed design of 6th Street subject to the redesign of those portions of 6th Street and Merchant Street adjacent to the Ramona Hotel. This will require the re-engineering and revision of construction documents. Though no firm costs are available from City Engineering, it is estimated that the cost will be \$3,000.00. The cost for this should be shared by the Redeveloper. Any change directly resulting from a request or design modification of the Redeveloper that is necessary for the implementation of that design which is beyond the normal design and scope of improvements of the Agency and/or City will be assessed to the Redeveloper. Likewise, in the actual construction of these streets any construction cost identified for work over and above that normally implemented by the Agency and/or City, such as special surface treatments or special sidewalk construction, will be borne by the Redeveloper. The required redesign as regards the actual reconstruction of the streets will result in sufficient cost savings to the Agency over the present design for a filled and super-elevated banked turn to service the Downtown Plaza office building at grade level. No actual dollar estimate of the savings is available until the redesign is completed. Percentage-wise, the savings may be 25 percent, depending on the design and shared cost. Although no firm figures are not available, the net effect of the approval of the building design concept will be that the Agency will incur additional engineering expense for design and plan revision but the Agency will experience significant construction cost savings with the new design over the

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design and plan revision but the Agency will experience significant construction cost savings with the new design over the construction of the City's present design which is estimated at \$36,000.00. The savings in the construction cost will more than offset any re-engineering cost.

## VOTE AND RECOMMENDATION OF COMMISSION

At its regular meeting of October 5, 1981, the Sacramento Housing and Redevelopment Commission adopted a motion recommending adoption of the attached resolution. The votes were recorded as follows:

AYES: Coleman, Knepprath, Luevano, A. Miller,  
Teramoto, B. Miller  
NOES: None  
ABSENT: Fisher, Serna, Walton

## RECOMMENDATION

Upon review of the final plans, staff recommends:

1. Approval of the final plans incorporating the street design revision required by the City Traffic Engineering Department.
2. Redesign, re-engineering and revision by City Engineering of the plans for the reconstruction of those portions of 6th Street and Merchant Street affected by the Redeveloper's plan.
3. Final plan approval is conditioned upon the Redeveloper executing an agreement with the Agency to share in the cost of the re-engineering and construction of those portions of 6th Street and Merchant Street that are adjacent to the Ramona Hotel.
4. Deletion of Section 1.3 of Exhibit "B" of the Owner Participation Agreement which requires the elimination of awnings which will make it possible for the proposed new awnings to be installed and effectively used.

Respectfully submitted,

  
WILLIAM H. EDGAR  
Interim Executive Director

TRANSMITTAL TO COUNCIL:

  
WALTER J. SLIPE  
City Manager

**RESOLUTION NO. RA- 81-081**

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF

October 13, 1981

APPROVING FINAL CONSTRUCTION PLANS  
AND AUTHORIZING INTERIM EXECUTIVE DIRECTOR TO  
APPROVE RAMONA HOTEL IMPROVEMENTS  
6TH AND J STREETS, PROJECT NO. 3

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE  
CITY OF SACRAMENTO:

Section 1. The Agency hereby approves the Final Construction Plans submitted by Western International Properties for the restoration of the Ramona Hotel located at the corner of 6th and J Streets in Project No. 3, subject to City Council approval of proposed Owner Participation Agreement, Section 1.3 of Exhibit B, subject to the following conditions:

A. Execution by the Redeveloper of an agreement between the Agency and Redeveloper, satisfactory to the Agency, for sharing of the costs of the re-engineering and construction of those portions of 6th Street and Merchant Street that are adjacent to the Ramona Hotel.

B. Approval by the City Traffic Engineering Department of the street design revisions, and the redesign, re-engineering, and revision by City Engineering of the plans for the reconstruction of those portions of 6th Street and Merchant Street as affected by the Redeveloper's Final Plans.

ATTEST:

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CHAIRMAN  
**APPROVED**  
SACRAMENTO REDEVELOPMENT AGENCY  
CITY OF SACRAMENTO

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CITY CLERK

OCT 13 1981

