



**SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY**



November 8, 1989

Budget & Finance Committee
Transportation/Community
Development Committee
Sacramento, CA

Honorable Members in Session:

SUBJECT: Amendment of Capitol Mall Setback Variation - 111
Capitol Mall Office Building Project

SUMMARY

The attached report is submitted to you for review and recommendation prior to consideration by the Redevelopment Agency of the City of Sacramento.

RECOMMENDATION

The staff recommends approval of the attached resolution approving the amendment.

Respectfully submitted,

ROBERT E. SMITH
Executive Director

TRANSMITTAL TO COMMITTEE:

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SOLON WISHAM, JR.
Assistant City Manager

Attachment



SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY



October 31, 1989

Redevelopment Agency of the
City of Sacramento
Sacramento, California

Honorable Members in Session:

SUBJECT: Amendment of Capitol Mall Setback Variation -
111 Capitol Mall Office Building Project

SUMMARY:

Adoption of the attached Resolution will amend, further clarify, and reaffirm previous actions pertaining to amending the Capitol Mall setback requirement for the 111 Capitol Mall Office Building project by interpreting and extending the existing amendment to encompass any and all new construction of that portion of the project upon the area occupied by the existing 111 Capitol Mall Building.

BACKGROUND:

On February 21, 1989, the Agency adopted Resolution No. 89-016 permitting a 15 foot building encroachment as part of a minor variation from the Agency's Capitol Mall setback requirement of 90 feet from the centerline of Capitol Mall. In subsections a, b, and c of Section 1 and subsection a of Section 2 of the Resolution, specific reference was made to the retention of the existing 111 Capitol Mall Building. Section 2 granted Stagen Realty and Management, Inc. a variation from the Redevelopment Plan so that Stagen Realty and Management, Inc. may:

- a. Add approximately 30 feet of height to the entire existing building at 111 Capitol Mall while maintaining the building setback line of approximately 65 feet from the Capitol Mall centerline.
- b. Construct a new building immediately east of such existing building, with the south face of the new building approximately 75 feet from the Capitol Mall centerline.

The Settlement Agreement and Release executed on February 22, 1989 by SOS, the City and the Agency permits the developers to build on top of the entire existing building lot at 111 Capitol Mall and therefore build a new structure over the entire existing

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building lot. Stagen Realty and Management, Inc. has requested a formal amendment to Resolution No. 89-016 which will clarify previous City and Agency action and will permit the demolition of the existing 111 Capitol Mall Building and permit new construction upon the existing building lot consistent with the previously granted variation from the Agency's Capitol Mall setback requirement and per the previously imposed conditions.

The requested amendment is necessary due to the findings of subsequent engineering studies which have determined that construction upon the existing 111 Capitol Mall Building would result in an aesthetically undesirable design of questionable economic feasibility. Since February, extensive engineering studies have occurred, including detailed foundation and structural testing of the existing building. The findings from the analysis determined that the existing building does not have the previously assumed structural capacity to meet seismic requirements. The study indicates that compliance would result in solid windowless exterior walls on approximately half of the building elevations which is not the aesthetic result desired by the City per the approved design guideline for the project. The structural analysis and report was performed and prepared by John B. Martin and Associates, Inc., Structural Engineers, for Tishman Construction Corporation.

It is the Staff's recommendation that the attached resolution be adopted which would permit demolition of the existing 111 Capitol Mall Building and new construction over the entire existing building lot consistent with the previously granted variation from the Agency's Capitol Mall setback requirement subject to the previously imposed conditions and restrictions. This recommendation is based upon the staff's opinion that:

- a. This amendment will not change the end-product project approved in February 1989. As recited in the previous resolution, the project will improve the economic health of the Old Sacramento area and generate tax increment funds. The previous findings will not be affected by the requested change in the method of accomplishing the approved project.
- b. The proposed new construction will significantly improve the aesthetic appearance of the site and will not result in a new or greater encroachment into the Capitol Mall view corridor.

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- c. Granting of the request to amend the previously approved variation to the setback will facilitate compliance with seismic safety structural requirements and will promote the public health, safety, and welfare and will not otherwise depart from previous project approvals and executed agreements.

FINANCIAL:

Adoption of the attached resolution will enhance the economic feasibility of the project without altering previously projected financial benefits to the Old Sacramento Business Community or to the City and Agency.

POLICY IMPLICATIONS:

Adoption of the attached resolution would amend previous action to permit the demolition of the existing 111 Capitol Mall Building and permit new construction to occur over the entire existing 111 Capitol Mall Building lot consistent with the previously granted variations from the Agency's Capitol Mall setback subject to the previously imposed conditions and restrictions. The proposed action would be generally the same as the Agency's previous action and therefore is consistent with previous policy. No change in policy or new policy would result from the adoption of the attached resolution.

ENVIRONMENTAL REVIEW:

On February 21, 1989, Resolution 89-013 was adopted approving the adequacy of the negative declaration for the revised 111 Capitol Mall Office Building project. Adoption of the attached resolution would be consistent with previous actions and does not require further environmental review.

MBE/WBE:

MBE/WBE policy is not applicable to the action recommended herein.

VOTE AND RECOMMENDATION OF COMMISSION:

At its meeting of October 23, 1989 the Sacramento Housing and Redevelopment Commission adopted a motion recommending the adoption of the attached resolution. The votes were as follows:

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AYES:

NOES:

ABSENT:

RECOMMENDATION:

It is the staff's recommendation that the attached resolution be adopted which would:

1. Amend Resolution No. 89-016 adopted February 21, 1989 to be consistent with the Settlement Agreement and Release executed on February 22, 1989 whereby the developers, Stagen Realty and Management, Inc. may build on top of the entire existing building lot at 111 Capitol Mall consistent with the previously granted variation from the Agency's Capitol Mall setback requirement and previously imposed conditions and restrictions .
2. Amend Resolution No. 89-016 to permit new construction upon the entire existing 111 Capitol Mall Building lot which would result in the demolition of the existing 111 Capitol Mall Building so long as the new construction is constructed consistent with the previously granted variation from the Agency's Capitol mall setback requirement and complies with previously imposed conditions and restrictions .

Respectfully Submitted,



ROBERT E. SMITH
Executive Director

TRANSMITTAL TO COUNCIL:

WALTER J. SLIPE
City Manager

Contact Person: Theodore R. Leonard, 440-1320

RESOLUTION NO.

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF _____

AMENDING RESOLUTION NO. 89-016
AMENDING CAPITOL MALL SETBACK
REQUIREMENT FOR THE 111 CAPITOL MALL
OFFICE BUILDING PROJECT

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

Section 1. Consistent with the Settlement Agreement and
Release dated February 22, 1989 regarding the 111 Capitol Mall
Office Building Project, the variation under Resolution No.
89-016 is amended to permit the demolition of the existing 111
Capitol Mall Building and construction of a new building on the
site. All other conditions and restrictions under Resolution No.
89-016 shall remain unchanged.

CHAIR

ATTEST:

SECRETARY

1100WPP2(464)

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____