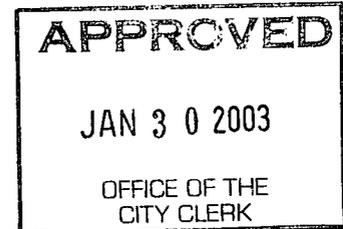


January 15, 2003

5.2



City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: PROPOSED 65TH AND FOLSOM REDEVELOPMENT SURVEY AREA

LOCATION & COUNCIL DISTRICT Districts 3 and 6

The proposed 65th and Folsom Redevelopment Survey Area is located in the East Sacramento Community Plan Area, and is generally bounded by Elvas Avenue and College Town Drive to the north, 21st Avenue to the south, Power Inn Road to the east, and 65th Street to the west.

RECOMMENDATION

Staff recommends that the City Council of the City of Sacramento ("City Council") adopt the attached resolution on page five designating the 65th Street/Folsom Boulevard Redevelopment Survey Area. In addition, your action will direct the Planning Commission of the City of Sacramento ("Planning Commission") to select a project area and formulate a preliminary plan for the redevelopment of the selected project area in cooperation with the Redevelopment Agency of the City of Sacramento ("Agency").

CONTACT PERSONS

Lisa Bates, Director, Community Development, 440-1316
Kim J. King, Management Analyst, Community Development, 440-1399, ext. 1400

FOR COUNCIL MEETING OF January 30, 2003

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SUMMARY

The attached resolution designates the boundaries of the 65th and Folsom Redevelopment Survey Area, permitting the Planning Commission and Agency to propose a redevelopment project area within the Survey Area.

If the resolution is approved, the Planning Commission and Agency will prepare a preliminary plan for the project area in March 2003. Staff plans to engage the affected and adjacent property owners and homeowner associations within the proposed Project Area, and anticipates several public workshops on the subject of redevelopment and the overall revitalization program throughout the process. The proposed redevelopment plan could be completed and brought before the City Council and Agency at a joint public hearing in November 2003.

COMMISSION ACTION

At its meeting January 15, 2002, the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolutions. The votes were as follows:

AYES:	Amundson, Burns, Burruss, Castello, Faust, Harland, Hoag, McCarty, Piatkowski, Simon
NOES:	None
ABSENT:	None

BACKGROUND

On September 3, 2002, the City Council directed staff to proceed with the adoption of the 65th Street corridor as a redevelopment project area. Staff initiated a series of feasibility studies in 2001 to identify means to revitalize properties in the vicinity of the 65th Street Transit Village. Areas that were studied included:

- The 65th Street Transit Village Plan area;
- Commercial properties along Elvas Avenue, College Town Drive, and Folsom Boulevard;
- Commercial and residential properties between Highway 50 and 14th Avenue, from 65th Street to the Union Pacific railroad right of way; and
- The Ramona industrial area, located between the Union Pacific railroad right of way and Power Inn Road, south of Brighton Avenue

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These studies concluded that:

1. Redevelopment could be legally and financially viable, and recommended proceeding with adoption of a redevelopment plan in the area.
2. Blighting conditions did exist and included unsafe/unhealthy buildings, factors hindering the economically viable use of buildings or lots, impaired investment/ stagnant property values, and high vacancy rates and abandoned buildings.

On September 3, 2002, the City Council directed staff to proceed with the adoption of the 65th Street corridor as a redevelopment area. California Community Redevelopment Law ("Law") prescribes a specific procedure for adoption of redevelopment plans. Adoption of a redevelopment plan involves many steps, including environmental review, preparation of various legal documents, and several public meetings. In total, the entire process is expected to cover approximately twelve months.

The first step in the plan adoption process is to designate a redevelopment survey area. On the basis of the previous feasibility studies, staff has identified the boundaries of the proposed Survey Area, as depicted on Exhibit A to the resolution, presented on page five.

Once the resolution is adopted, the Planning Commission and Agency may then cooperatively select a proposed redevelopment project area, after which a preliminary plan of the redevelopment of the project area is prepared. The preliminary plan is a brief document outlining the basic concepts of the redevelopment of the project area.

The Redevelopment Plan itself would be prepared in Summer 2003, and may be evaluated by a representative project area committee, the Redevelopment Commission, the Agency, the Planning Commission, the City Council, affected taxing agencies, and the general public.

Interested persons may participate in the process by attending public meetings and workshops scheduled throughout the process. Residents, business owners, property owners, and community organization within the proposed project area may also run for a seat on the project area committee that would be formed after the Preliminary Plan and boundaries are proposed.

FINANCIAL CONSIDERATIONS

The plan adoption process involves the costs of hiring of redevelopment, environmental and legal consultants; costs for mailing and publication of public notices; and the payment of various filing fees. A total of \$250,000 in City Community Development Block Grant funds has already been appropriated for these purposes. Future tax increment revenues will be used to offset these costs if a redevelopment plan is adopted.

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Based on conservative forecasts from the feasibility studies, approximately \$28 million of housing and non-housing tax increment revenue could be generated over the next 45 years if all of the Survey Area is ultimately incorporated in a redevelopment project area.

POLICY CONSIDERATIONS

The actions proposed in this staff report are consistent with redevelopment plan adoption process established by state law. Additionally, these actions are consistent with the City's Strategic Plan goal to "enhance and preserve the neighborhoods".

ENVIRONMENTAL REVIEW

The proposed project is exempt from further environmental review pursuant to Section 7-4.2 of the Agency's Environmental Review Guidelines and Section 15262 of the California Environmental Quality Act Guidelines. In the event that redevelopment plan adoption activities are initiated, then a program environmental impact report will be prepared in accordance with the requirements of California Redevelopment Law and the California Environmental Quality Act guidelines.

M/WBE CONSIDERATIONS

The Agency's M/WBE policy will be implemented to the extent that funding sources require it.

Respectfully submitted,


ANNE M. MOORE
Executive Director

Transmittal approved,


ROBERT P. THOMAS
City Manager



RESOLUTION NO. 2003-044

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF

DESIGNATING THE 65TH STREET/FOLSOM BOULEVARD REDEVELOPMENT SURVEY AREA AND DIRECTING THE PLANNING COMMISSION OF THE CITY OF SACRAMENTO TO SELECT A PROJECT AREA AND FORMULATE A PRELIMINARY PLAN FOR THE REDEVELOPMENT OF THE SELECTED PROJECT AREA IN COOPERATION WITH THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

WHEREAS, Section 33310 of the California Community Redevelopment Law (Health and Safety Code Section 33000 et seq., "CRL") provides that a redevelopment survey area may be designated by resolution of the City Council; and

WHEREAS, the City Council of the City of Sacramento desires that the area hereinafter described be studied to determine if a redevelopment project or projects within said area are feasible; and

WHEREAS, Section 33322 of the CRL authorizes the planning commission to select one or more project areas comprised of all of part of a designated survey area and requires the planning commission to formulate a preliminary plan for the redevelopment of each selected project area; and

WHEREAS, Section 33323 of the CRL directs the planning commission and the redevelopment agency to cooperate in the selection of a project area and in the preparation of the preliminary plan;

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACRAMENTO:

Section 1. The City Council does hereby designate as the "65th Street/Folsom Boulevard Redevelopment Survey Area" that area shown on the map attached hereto as Exhibit A and by this reference made a part hereof.

Section 2. The City Council hereby finds and determines that the 65th Street/Folsom Boulevard Redevelopment Survey Area requires study to determine if a redevelopment project within said survey area is feasible.

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

Section 3. The City Council hereby directs the Planning Commission of the City of Sacramento to work with the Redevelopment Agency of the City of Sacramento to select a project area comprised of all or part of the 65th Street/Folsom Boulevard Redevelopment Survey Area and to prepare a preliminary plan for the selected project area.

MAYOR

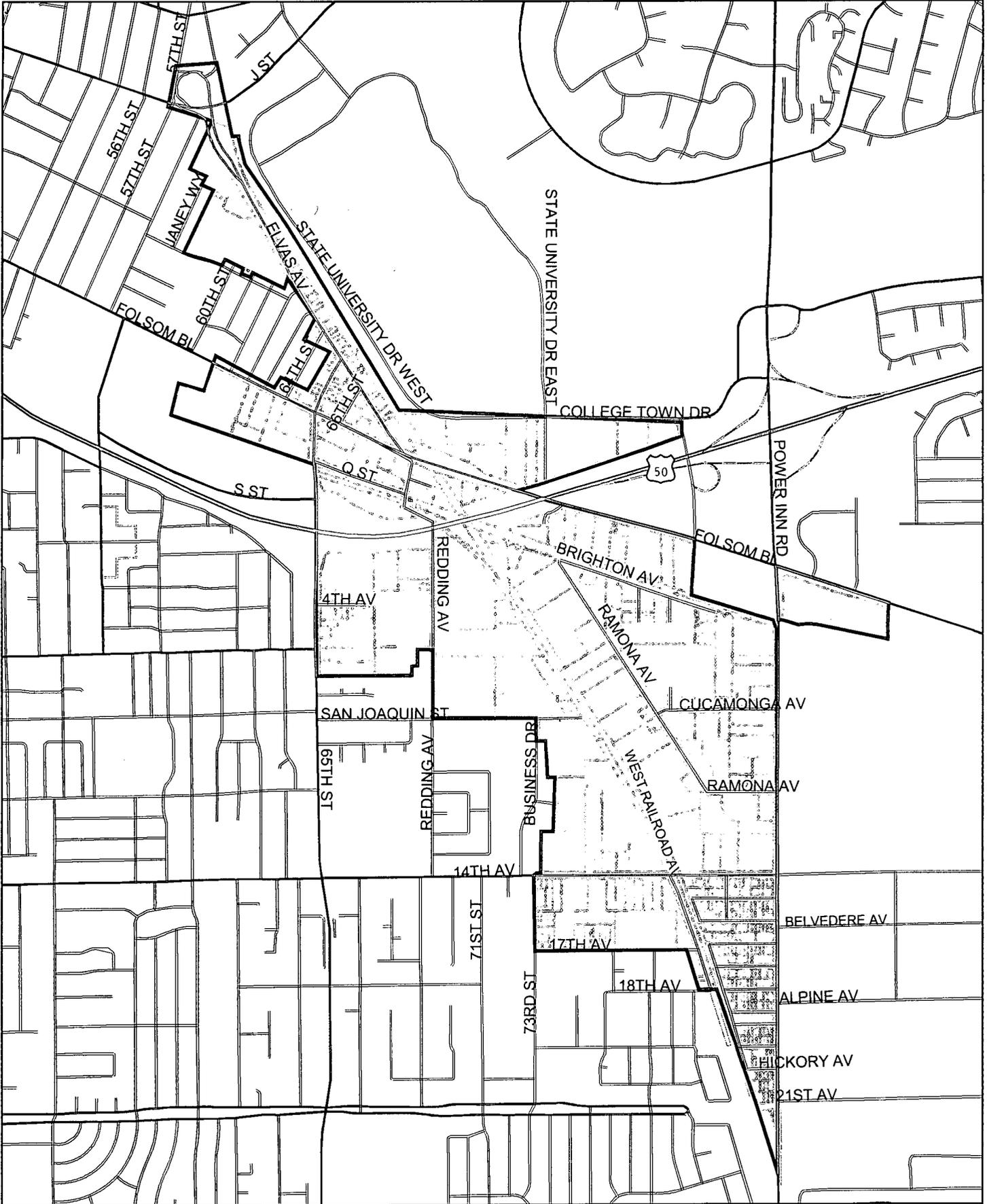
ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____ (6)



Proposed Survey
Area Boundary

LEGEND

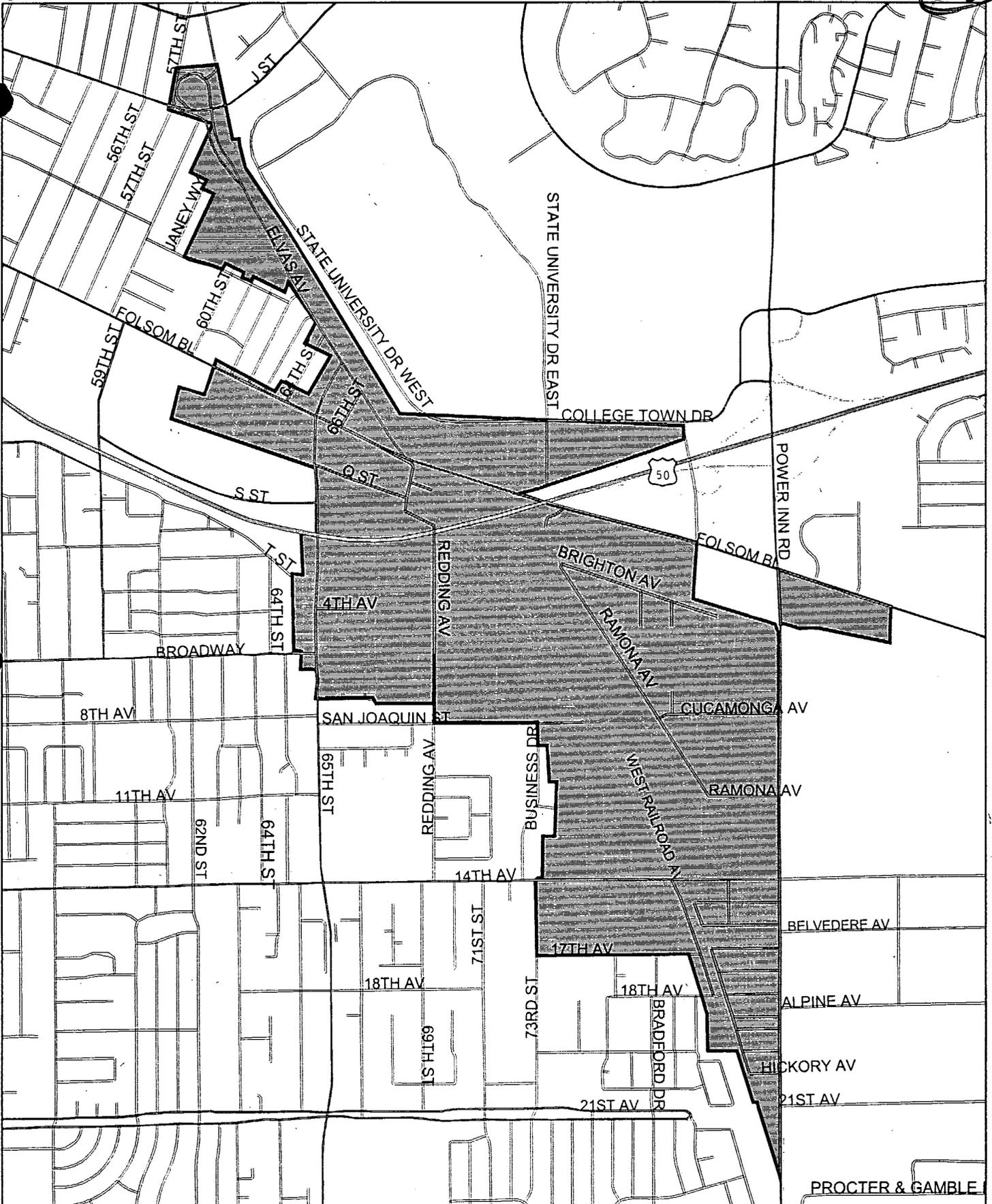


Survey Area Boundary



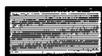
Sacramento
Housing and
Redevelopment
Agency

5.2



Proposed Survey Area Boundary

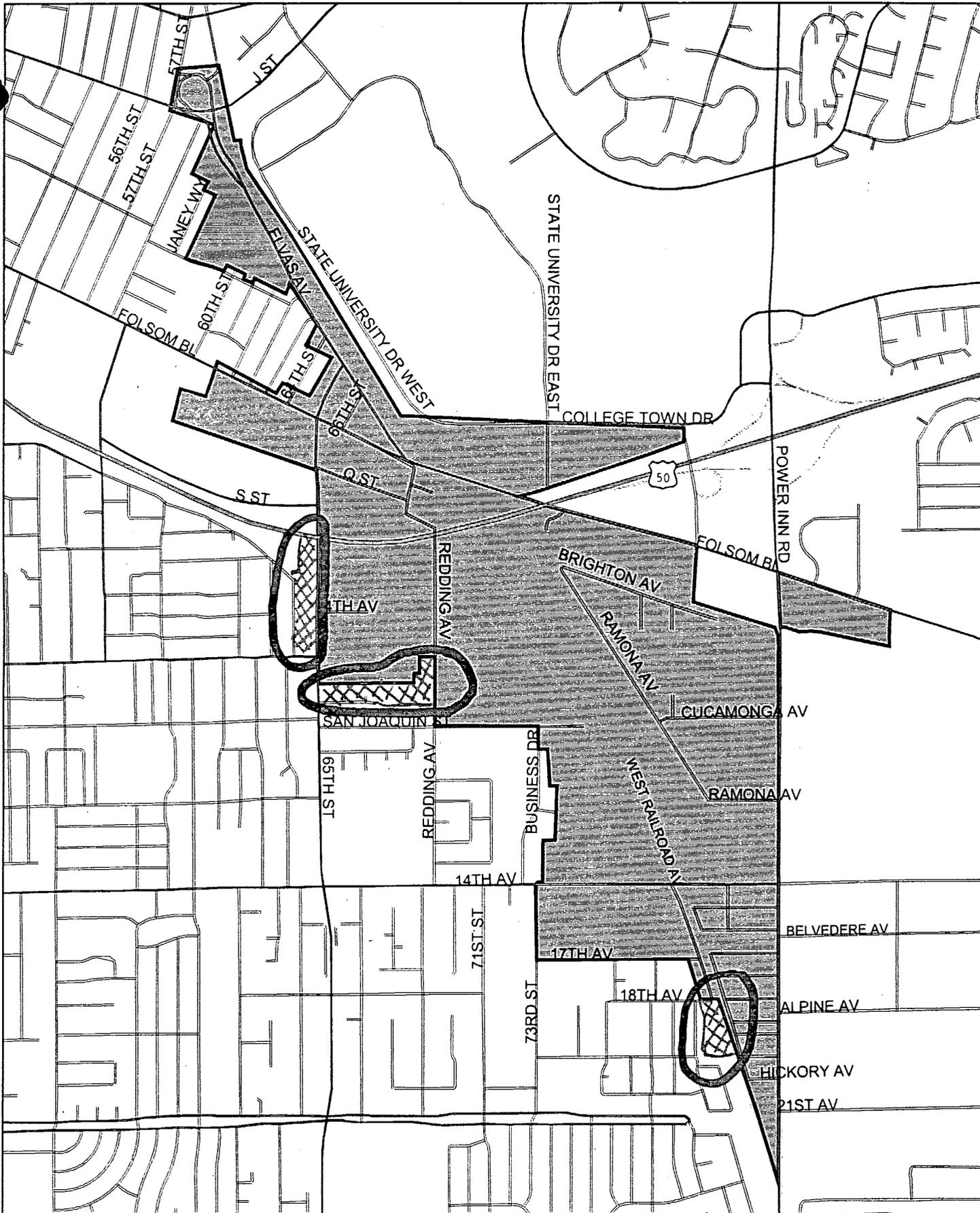
LEGEND



Survey Area Boundary



Sacramento Housing and Redevelopment Agency



Proposed Survey Area Boundary

LEGEND



Survey Area Boundary



Sacramento Housing and Redevelopment Agency