

# RESOLUTION NO. 87-053

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO  
ON DATE OF

July 28, 1987

THE LOCATION OF THE MUSEUM OF RAILROAD TECHNOLOGY  
WITHIN THE DOCKS PROJECT  
(ALTERNATIVE III)  
STATE PREFERRED MORT LOCATION AND NO OFFICE

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

Section 1: The general location of the Museum of Railroad Technology ("MORT") as depicted in Exhibit I, attached hereto, which is the State of California preferred location is hereby approved.

Section 2: Alternative III of the Staff Report filed with this resolution, (without the office space included) is hereby approved.

Section 3: The items noted in the Policy Considerations, MORT section of the staff report filed with this resolution, are approved and staff is directed to prepare a disposition and development agreement consistent with these policies with the State of California. The report due to the Agency in early October should include a schedule of activities implementing MORT consistent with this action and the overall Docks Project.

Section 4: The Agency conceptually agrees to use all of the public revenues (tax increments, lease revenues and transient occupancy taxes) from the hotel and restaurant components of the Docks Project for the waterfront public improvements.

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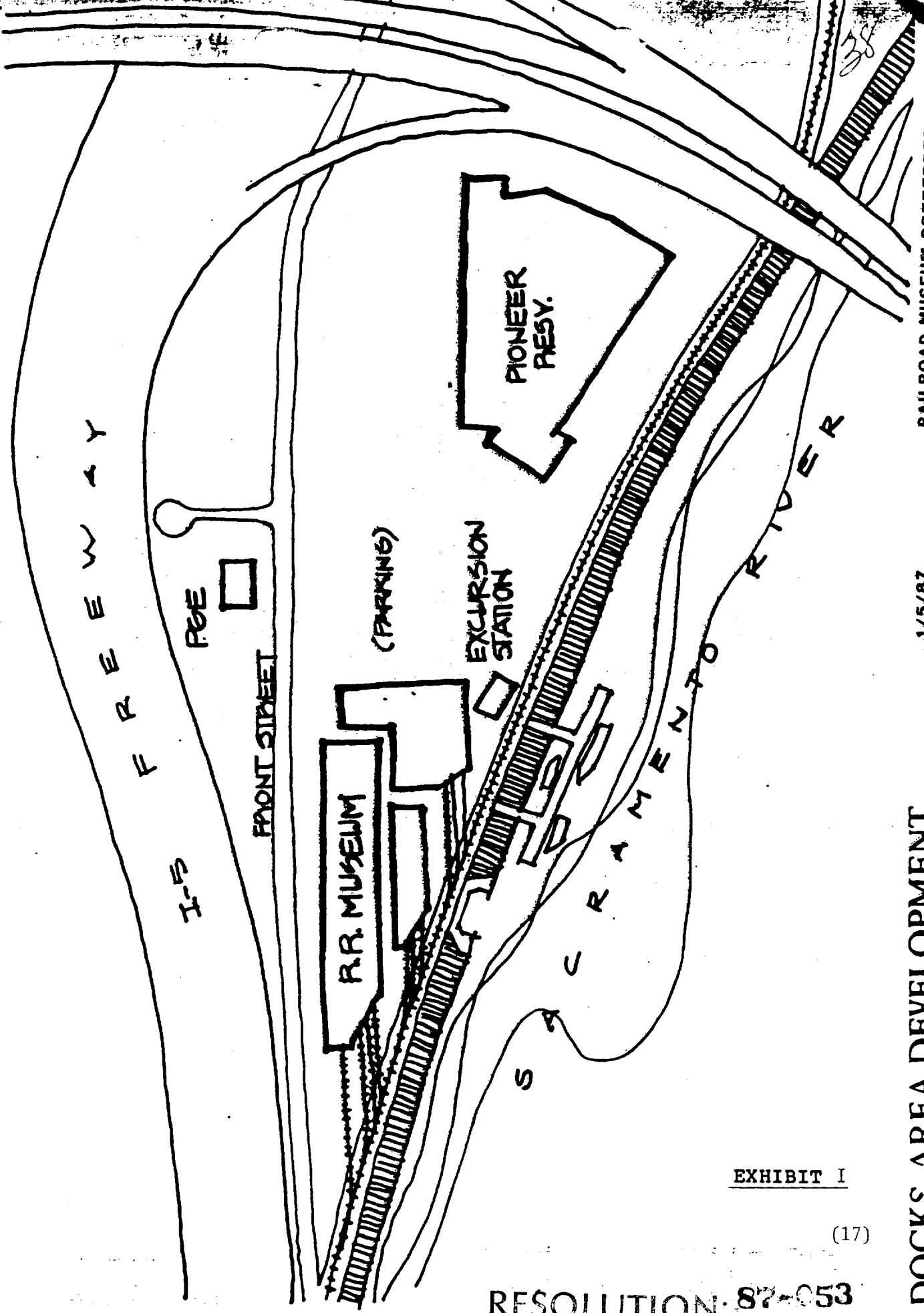
Section 5: Staff is directed to modify the Memorandum of Understanding (MOU) and the preliminary Master Plan accordingly in conducting negotiations with the developer.

Gene Rudin  
Chair

ATTEST:

Andrew J. M... ..  
Assistant Secretary

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RAILROAD MUSEUM PREFERRED BY STATION

1/5/87

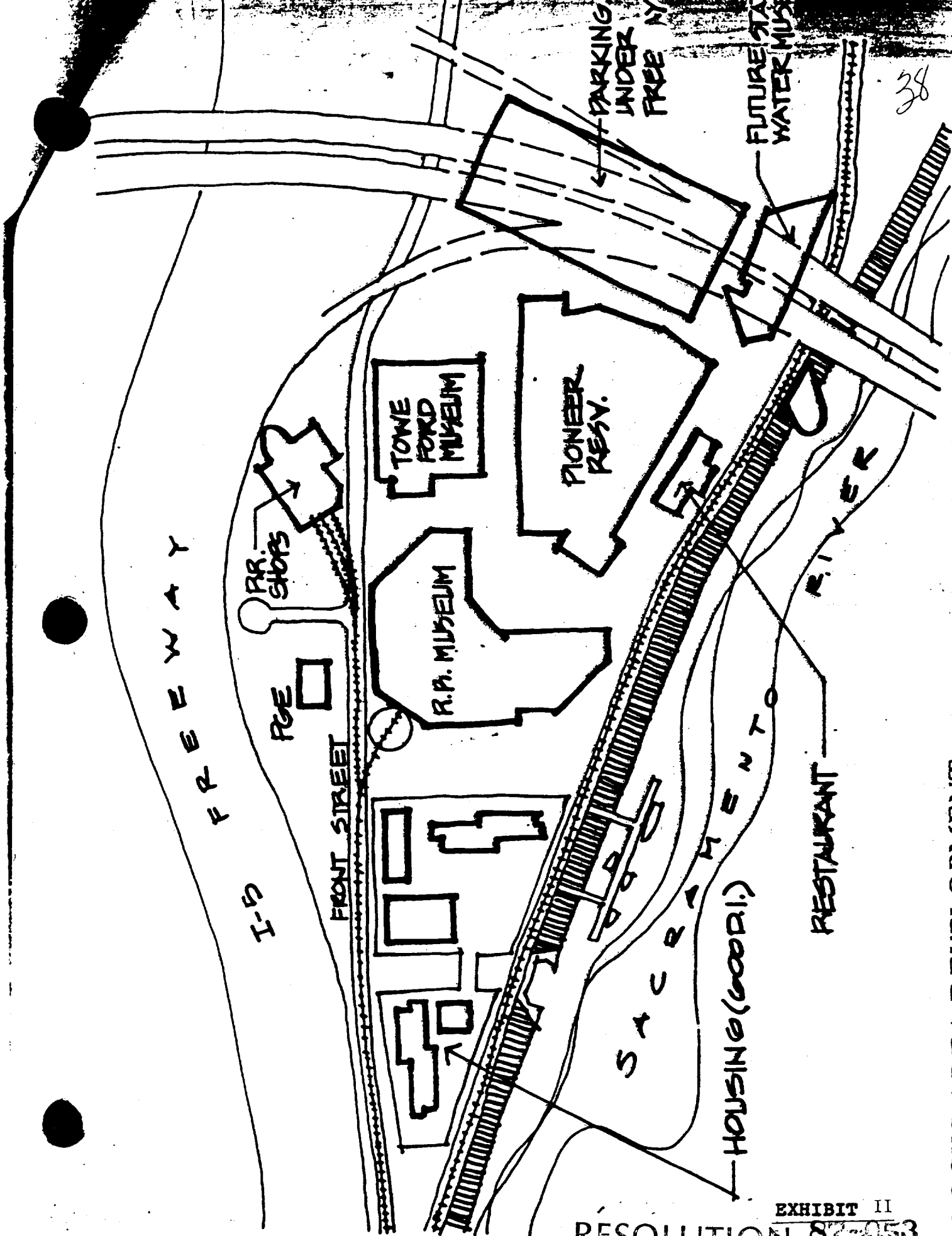
DOCKS AREA DEVELOPMENT

EXHIBIT I

(17)

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REVISED PROPOSAL BY DEVELOPER

1/5/87

DOCKS AREA DEVELOPMENT

EXHIBIT II  
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# RESOLUTION NO. 87-015

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO  
ON DATE OF

February 17, 1987

## DOCKS DEVELOPMENT PROJECT PRELIMINARY MASTER PLAN

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

Section 1: The Redevelopment Agency of the City of Sacramento generally supports the proposed development and land use designations presented in Exhibit "G" of the Status Report on the Docks Development Project dated February 9, 1987, in that they come closest to meeting the wishes and preferences of the Redevelopment Agency for the Docks Development Project. A copy of Exhibit "G" is attached to this resolution.

*Anne Kuden*  
CHAIR

ATTEST:

*William H. Ryan*  
SECRETARY

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CERTIFIED AS TRUE COPY  
REDEVELOPMENT AGENCY

of *87-015*

*2-20-87*  
DATE CERTIFIED

*James Stewart*  
Acting Secretary

EXHIBIT III

RESOLUTION No. 87-015

(19)

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(7/13/87)

MATRIX OF DEVELOPMENT ALTERNATIVES AND FUNDING SOURCES - DOCKS

	Net Proceeds from Lease Revenue Bond (hotel, resid. & restaurant) (millions)	Land Sale Proceeds	Parking Revenue Bond Proceeds	Office Lease Revenue Bond Proceeds (Tax increments only)	Sub-Total of Proceeds	Est. Cost of Public Improvements	Est. shortfall and potential Source of Funds	Comments
DEVELOPERS PROPOSAL (resid., office, hotel, restaurant & MORT on P.G. & E. site)  Lease hotel, purchase all other property.	(1)  9.3	(2)  1.9	(3)  1.7	(4)  3.7	16.6	17.2	\$6 City taxes from hotel.	Land use plan for this proposal is the same as Alt. No. One. Main difference is the manner of land conveyance.  Office land proceeds to Agency for Public improvements.
ALTERNATIVE ONE Current Agency Preferred (resid., office, hotel, restaurant & MORT on P.G. & E. site, same as developer's plan)  Lease all property.	(4)  10.5		1.7	3.7	15.9	17.2	\$1.3 City taxes from hotel.	Note: MORT would probably not locate on P.G. & E. site if this alternative were to be carried out.  Office land proceeds to City.
ALTERNATIVE TWO State Preferred (MORT on State preferred site, office & hotel & restaurant. No residential.)	(7)  6.097		1.7	3.7	11.5	17.2	\$5.7 3.8 City taxes from hotel. 1.9 State	Office land proceeds to City.
ALTERNATIVE THREE (MORT on State preferred site & hotel & restaurant. No residential or office.)	6.097		1.7	-0-	7.8	17.2	\$9.4 7.5 T.O. tax from hotel 1.9 State	Assumes City Council with-draws office from Docks & P.G. & E. site cannot support residential use due to toxics. Uses all T.O. tax from hotel

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NOTES ON MATRIX

(1) Net Proceeds from Lease Revenue bond

a. Annual Property Tax

--Hotel	318,000	(from Summary Table 1,
--Apartments	159,000	K/M, May 1987)
--Apartments	239,000	
--Restaurants	11,000	

727,000 x 8.91 = \$6.477 million

b. Annual lease

--Hotel 317,000 x 8.91 = \$2.824 million

\$9.301 million

(2) Land Sales Proceeds (see Summary Table 1, attached).

(3) Parking Revenue Bond Proceeds (from M. Morgan).

500 spaces x \$840./sp./yr. = \$420,000. income/yr.  
225,000. Oper. & Maint.

\$195,000. = Amt. Avail.  
for debt service

x 8.91

\$1.737 million

(4) Net bond proceeds from office (assume any lease payments or sale proceeds will go to City).

Annual property tax 416,000 x 8.91 = \$3.701 million

(5) Estimated Public Improvements Program for the Docks Area (as of 6/18/87)

a. Revised estimates from developer \$12,000,000.  
(Adamson Assoc. 4/21/87)

b. Less area along waterfront from - 1,392,000  
T Street to Pioneer Bridge which 10,608,000  
would be constructed later as phase 2.

c. Assume Agency agreement to pay for \$6,600,000.  
hotel parking for guests and public  
(500 spaces)

\$17.2 million

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(6) Net Proceeds from Lease Revenue Bond.

a. Annual Property tax (see #1 above) \$6.477 million.

b. Annual leases.

--hotel	(see #1 above)	\$2.824 million
--apartments	(assume land leased at 1/2 market rate)	
	= \$100,000 x 8.91 =	.891 million
--restaurant	(320,000 x 12% = 38,400/yr.) lease revenue x 8.91 =	.342 million
		<u>\$10.534 million</u>

(7) Net proceeds from lease revenue bond (assuming no residential)

a. Property tax

--restaurant	11,000
--hotel	318,000

329,000 x 8.91 = \$2.931 million

b. Lease revenues

--hotel	\$2.824 million
--restaurant	.342 million

\$3.166 million

Total \$6.097 million

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DOCKS REDEVELOPMENT AREA PROPOSAL  
 FINANCIAL EVALUATION  
 SUMMARY TABLE (1)

Land Use	Capital Cost(\$M) <sup>a</sup>	Stabilized NOI	Est. ROC(%)	Target ROC(%)	Public Revenues		
					Annual Lease Payment (L) or Land Sales (S)	Annual Property Tax	Annual Sales Tax
Office-240,000 SF	\$36.3 <sup>a</sup>	\$4,356,000	12.0%	12.0%	\$1,604,000 (S)	\$416,000	-0-
Motel-300 Rooms	26.5	3,408,000	12.9%	14.0%	317,000 (L)	318,000	187,000
L.R. Apartments-200 d.u.	13.2	1,253,000	9.5%	9.5%	-0- (S)	159,000	-0-
M.R. Apartments-200 d.u.	19.9	1,638,000	8.5%	8.5%	-0-	239,000	-0-
Restaurant-8,000 SF	1.1 <sup>a</sup>	168,000	12.0%	12.0%	320,000 (S)	11,000	168,000
GRAND TOTAL	\$97.0	\$10,823,000	11.2%	11.5%	\$1,924,000 (S) \$317,000 (L)	\$1,143,000	\$355,000
Phase II Residential	21.9	1,861,000	8.5%	8.5%	-0- (S)	263,000	-0-
GRAND TOTAL	\$118.9	\$12,684,000	10.6%	11.5%	\$1,924,000 (S) \$317,000 (L)	\$1,406,000	\$355,000

- (1) Totals may not add due to independent rounding.  
 (2) In 1988 dollars, except for high-rise residential which is stated in 1989 and 1991 dollars.  
 (3) Dollars stated in year of occupancy adjusted for stabilized operation (Office 1990, Hotel 1993, Low-Rise Apartments 1989, High-Rise Apartments 1991, Restaurant 1990).  
 (4) Includes \$1.6 million in development cost for the 12,000 SF stand-alone community arts theater/office building.  
 (5) Before land lease, ROC after Land Lease Payment is 11.7%.  
 (6) Developer's cost only.

Source: Keyser Marston Associates, Inc.  
 May 1987

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Docks Area Development  
 Sacramento, California

RECEIVED

AA 87/1692  
 21/Apr/87

APR 22 1987

Ans'd .....

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 MORT'S PORTION  
 OF PUB. IMPROV.

1. Public Improvements

	QUANTITY	UNIT	RATE	\$M	
Stabilize river face of levee with rip rap and fill	4,030	LF	500.00	2,015	675
Pedestrian path on river face of levee 15' wide	2,550	LF	150.00 <sup>340'</sup>	383	90
Fishing pods and retaining walls and rails	4	EA	16.0M	64	
O Street Circle including river wall, rail and paving	13,275	SF	35.00	465	
Pedestrian paving on top of levee	70,400	SF	5.00	352	116
Levee parapet wall	3,724	LF	100.00	372	135
New reinforced concrete, pile supported dock structure, paving and parapet rail	46,000	SF	60.00	2,760	
Transient Marina floating quays including ramps	16,700	SF	50.00	835	
Floating retail/office building	6,000	SF	100.00	600	
Elevator tower				200	
Debris deflectors	2	EA	65.0M	130	
Realign existing railroad track	1,000	LF	150.00	150	
Upgrade sidewalks and add planting on Gateway Bridge - O Street				40	
General landscape planting, ground cover, shrubs and irrigation	235,000	SF	2.50	588	193
Trees, grates and irrigation	350	EA	1.0M	350	150

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ADAMSON Associates

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 San Francisco, CA 94133  
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MORTGAGE PORTION  
OF PUB. IMPROV.  
(Q to T St.)

<u>Public Improvements</u>	QUANTITY	UNIT	RATE	\$M
Mall furniture including trash containers, benches, signs etc.				250
Site drainage including catch basins and piping	200,000	SF	0.50	100
Site lighting standards, bollards and landscape accent lighting	590,000	SF	0.75	442
Utility relocation				150
Pedestrian underpass at Capital Mall				100
				<u>10,346</u>
Contingency for unforeseen requirements				1,654
<b>Recommended Budget for Construction</b>				<b>\$12,000</b>

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146  
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1671  
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1937

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