



**Sacramento  
Housing &  
Redevelopment  
Agency**

June 1, 2005

Redevelopment Agency of the City of Sacramento  
Sacramento, California

Honorable Members in Session:

**SUBJECT: K STREET REQUEST FOR PROPOSALS EVALUATION PROCESS**

**LOCATION/COUNCIL DISTRICT:** District 1, 700-, 800-, and 1000-blocks of K Street

**RECOMMENDATION:**

1. Staff recommends adoption of the attached Redevelopment Agency (Agency) resolution which rescinds Agency resolution RA 2005-029, adopted on May 10, 2005.

**CONTACT PERSON:** Traci Michel, Sr. Project Manager, 808-8645  
Wendy Saunders, Economic Development Director, 808-8196

**FOR THE COUNCIL MEETING OF:** June 7, 2005

**SUMMARY:**

On May 10, 2005, City Economic Development staff presented a report and resolution to the Agency, which clarified previous actions related to the establishment of a Selection Committee and evaluation process for the K Street Proposals. Due to ongoing controversy regarding the selection and evaluation process, staff recommends rescinding Agency resolution RA 2005-029.

**BACKGROUND:**

- On April 26, 2005, staff presented the Agency with a proposed Selection Committee composition and evaluation process for the K Street RFP's. The K Street RFP's were issued in early February 2005, in order to begin implementing the action items resulting from the JKL Corridor visioning process, which took place in late 2004. The

JKL Corridor visioning process recommended strategic attention be given to three key development opportunity sites within the K Street corridor: the 700, 800 and 1000 blocks of K Street.

- After Agency adoption of the resolution 2005-026 on April 26th, members of the public raised the issue of the Brown Act as it applied to the Selection Committee. The position of staff was that the Brown Act did not apply, because staff did not intend to establish a standing committee by the adoption of the resolution. An ad hoc selection committee, even one containing members of the governing board, is not generally subject to the Brown Act.
- After further review, it was noted that the resolution could be interpreted to be an establishment of a committee. While the staff report talked about staff establishing the Selection Committee, the resolution had the Agency approving the process. Staff intended to have the Agency approve the proposal review process only in the sense that the Agency was comfortable with the process and not in the sense that the Agency was adopting and establishing the process. The language in the resolution, however, did not clearly reflect staff's intent, and could give rise to a legal challenge to the process.
- On May 10, 2005, staff presented the Agency with a clarification resolution in order to reflect the true intent of the action and make it clear that the Agency did not establish a standing committee. Nothing in the process, as discussed in the previous staff report and meeting, was changed by the recommended action.
- In an effort to expand community input on the proposals and to avoid controversy concerning the selection process, staff is prepared to implement a revised process which consists of the following:
  1. Expansion of public input process to include hosting a community meeting to receive public input on all proposals received; and
  2. Having proposals and public input reviewed and evaluated by an Ad Hoc Committee of the Agency's Governing Board, which will make development team selection recommendations to the Agency.

#### **FINANCIAL CONSIDERATIONS:**

There are no financial actions being recommended as part of this report.

#### **ENVIRONMENTAL CONSIDERATIONS:**

The proposed actions do not constitute a project under CEQA per Guidelines Section 15378 (b) (4) (government funding activities that do not involve a commitment to any specific project) and 15262 (planning study for possible future action); nor a federal undertaking under NEPA.

**POLICY CONSIDERATIONS:**

The K Street RFP's will result in proposed projects consistent with the City's General Plan, Central City Community Plan, Merged Downtown Redevelopment Plan and Five-Year Implementation Plan, and the Cultural Arts and Entertainment District Master Plan. The selection of qualified development teams will be through a competitive process.

**ESBD CONSIDERATIONS:** Not applicable.

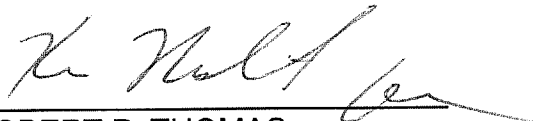
Respectfully submitted,



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Wendy S. Saunders  
Economic Development Director

RECOMMENDATION APPROVED:



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ROBERT P. THOMAS  
City Manager

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**RESOLUTION NO. \_\_\_\_\_**

**ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO**

**ON DATE OF \_\_\_\_\_**

**K STREET PROPOSALS: RESCINDING RESOLUTION RA 2005-029**

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

Section 1. The resolution RA 2005-029 adopted on May 10, 2005, is hereby rescinded.

\_\_\_\_\_  
CHAIR

ATTEST:

\_\_\_\_\_  
SECRETARY

\_\_\_\_\_  
**FOR CITY CLERK USE ONLY**

RESOLUTION NO.: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_



## 5.1 Supplemental

June 7, 2005

Michelle Nelson  
Leslie Fritzsche  
Redevelopment Agency of the City of Sacramento  
Economic Development Department  
1030 15th Street, Suite 250  
Sacramento, CA 95814

RE: 700 and 800 Blocks of K Street and L Street

Dear Michelle and Leslie:

Thank you for your continued attention to our April 29, 2005, response to the City of Sacramento Economic Development Department's Request for Proposals for the Downtown Cultural Entertainment and Retail Complex. Since the time of our submittal, the owner of the Greyhound Bus station has committed to move the Bus station, and has submitted an application for development at the existing L Street site. This is significant new information. Moreover, initial feedback and comments from the City, as well as other unforeseen circumstances, have forced us to reconsider and, in some instances, revise several aspects of our original proposal. This letter outlines the basic terms and conditions of our revised proposal. As always, we welcome your comments and questions and encourage an ongoing dialogue between our offices.

### K Street

The development team for the K Street redevelopment would include a reputable condominium developer (to be named soon) as managing general partner, Moe Mohanna and John Lambeth, landowners, as limited partners, and Evergreen/Fisher ("K Street Team"). Evergreen/Fisher will continue to take the lead in organizing and facilitating the development process. The K Street Team proposes to develop retail and residential uses along K Street between 7<sup>th</sup> and 8<sup>th</sup> Streets, with the residential component consisting of for-sale condominiums.