



APPROVED
BY THE CITY COUNCIL

OCT 1 1998

OFFICE OF THE
CITY CLERK

1.9.

NEIGHBORHOODS, PLANNING
AND DEVELOPMENT SERVICES
DEPARTMENT

CITY OF SACRAMENTO
CALIFORNIA

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SACRAMENTO, CA
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PLANNING DIVISION
916-264-5381
FAX 916-264-5328

September 21, 1998

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: Union Pacific Rezoning (M98-036)

LOCATION: Between 3rd, 5th, Q and R Streets

COUNCIL DISTRICT: (District 1)

RECOMMENDATION:

Approve the attached resolution initiating a rezoning and plan amendment for the Union Pacific site in the R Street Corridor.

CONTACT PERSON: Steve Peterson, Senior Planner, 264-5981

FOR COUNCIL MEETING OF: October 1, 1998 (afternoon session)

SUMMARY:

In November 1992, when the Pacific Plaza office project rezoning was conditionally approved, the City Council also requested a report back to consider initiation of a General Plan amendment, Community Plan amendment and rezoning if the project did not proceed to construction. The Pacific Plaza project applicant was unsuccessful in securing a state office tenant and final land use approvals. Staff is seeking council authorization to initiate a rezoning and plan amendment from General Commercial Mixed Use to Residential Mixed Use on this site. Staff will return at a later date with the actual rezoning and plan amendment action. The Residential land use is consistent with the city's downtown housing objectives and the state's

policy to focus future office development in the Capitol Area and Downtown.

COMMITTEE/COMMISSION ACTION: None

BACKGROUND INFORMATION:

The following is a chronological summary of the key actions associated with the planning for the R Street Corridor and Union Pacific site:

On November 10, 1992 the City Council approved the plan amendments and rezoning for the Pacific Plaza project subject to conditions requiring a significant housing component (2:1 housing). Council also directed staff to report back with a status report to consider initiation of plan amendments and rezoning if the applicant (Duke) did not proceed with the project (Ordinance 92-067).

In 1995 the Urban Land Institute completed an evaluation of the State Capitol Area and the Plans and Policies for managing State Office Space. The panel concluded that future state office development should be concentrated on state owned sites and in the downtown area. ULI also recommended that "State office buildings should not be located south of Q Street and scattered, low rise state buildings already located there should be gradually consolidated for relocation into the Capitol Area. Moreover the panel did not see R Street as a significant development corridor that should be devoted to office and other nonresidential uses on a concentrated basis. The focus south of Q Street should be on strengthening this close in residential environment". (ULI report, p. 26)

On April 27, 1995 the City Council adopted a resolution supporting the ULI recommendations and identifying city priorities for state office facilities.

On December 10, 1996 the City Council adopted the R Street Corridor Plan. At that time the applicant requested the retention of the commercial mixed use designation to allow finalization of their 1992 entitlements. The project was unable to secure final land use approvals.

In July 1997 the State of California adopted the Capitol Area Plan Update which provided for the development of 2.8 million square feet of state office space and 725 new housing units.

In 1997 the Mayor sponsored a summit on downtown housing and retail uses which identified downtown housing as a key component to a successful and vibrant downtown.

In 1998 approximately \$6 million has been set aside from the downtown redevelopment project tax increment funding for downtown housing projects (including R Street Corridor).

FINANCIAL CONSIDERATIONS: None

POLICY CONSIDERATIONS:

The proposed rezoning is consistent with the R Street Corridor Plan goals to create mixed use neighborhoods and to provide incentives for creating a mass of new housing development. Downtown housing development will assist in the revitalization of the downtown area.


There is currently significant interest in the development of infill housing on potential residential sites in the downtown area. The Central City housing strategy recommends the rezoning of land in the Central City for residential use to facilitate housing development. Low vacancy rates, higher sales prices, rising rents and recent housing successes (Metro Square and Governors Terrace) suggest a stronger market for downtown housing. The UP site could be a catalyst for creating a mass of new housing in the R Street Corridor because of it's size (6 acres), proximity to other potential residential sites and potential connections to the downtown, riverfront and other amenities.


ENVIRONMENTAL CONSIDERATIONS:

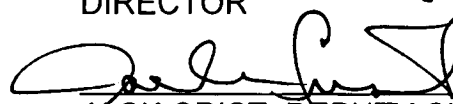
The rezoning will require an environmental determination under CEQA. Staff will use the R Street Corridor Plan EIR in completing this determination.

Respectfully submitted,

RECOMMENDATION APPROVED:


WILLIAM H. EDGAR
CITY MANAGER


GARY STONEHOUSE, PLANNING
DIRECTOR


JACK CRIST, DEPUTY CITY MANAGER
NEIGHBORHOODS, PLANNING AND
DEVELOPMENT DEPARTMENT

Attachments

APPROVED
BY THE CITY COUNCIL

OCT 1 1998

OFFICE OF THE
CITY CLERK

RESOLUTION NO. 98-493

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

RESOLUTION AUTHORIZING STAFF TO INITIATE A COMMUNITY PLAN AMENDMENT FROM INTENSIVE MIXED USE TO RESIDENTIAL MIXED USE IN THE R STREET CORRIDOR PLANNING AREA AND A REZONE FROM OFFICE BUILDING MIXED USE (OB-W-SPD) TO RESIDENTIAL MIXED USE (RMX-SPD) IN THE R STREET CORRIDOR SPECIAL PLANNING DISTRICT FOR THE PROPERTY GENERALLY LOCATED BETWEEN 3RD, 5TH, Q AND R STREET (APN's: 006 - 0252-004 AND 005;006-253-008,014,016,017)

WHEREAS, the City Council requested a report back to consider plan amendments and rezoning if the applicant of the Pacific Plaza project did not proceed with the project; and

WHEREAS, the Pacific Plaza project did not proceed with final land use approvals, and

WHEREAS, the City has an interest in redesignating this site for residential mixed use to implement the goals and policies of the R Street Corridor Plan, and

WHEREAS, the City adopted the Central City Housing Strategy which recommends the rezoning of to residential uses to facilitate the development of Central City housing, and

WHEREAS, the Union Pacific site, given it's location and size is a unique residential development opportunity site to meet the city's housing objectives;

THEREFORE, BE IT RESOLVED that city staff is authorized to initiate the required environmental, and public hearing process to accomplish the rezoning and plan amendments.

MAYOR

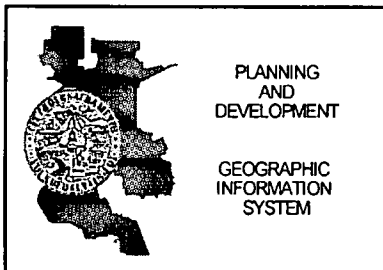
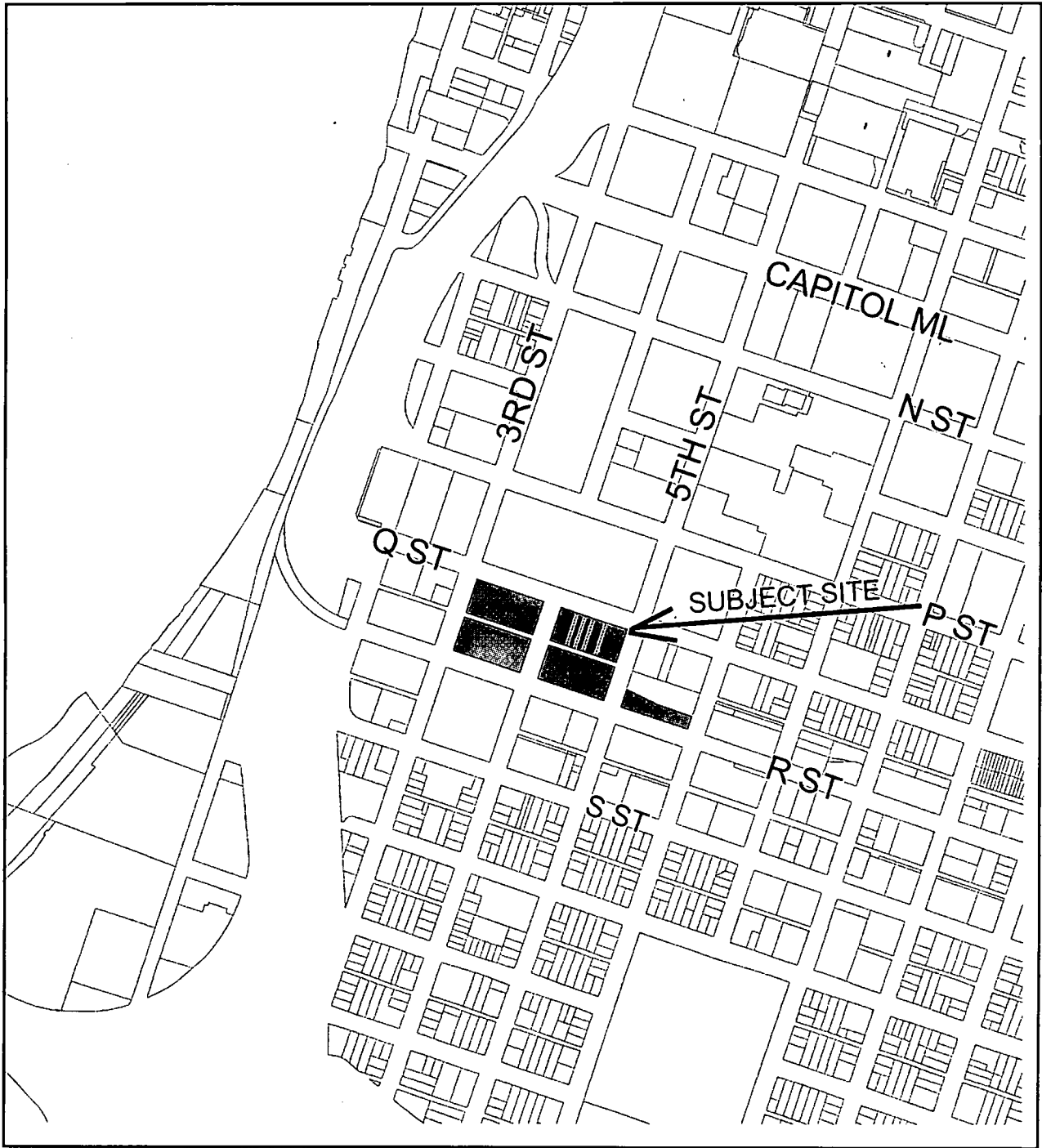
ATTEST:

CITY CLERK

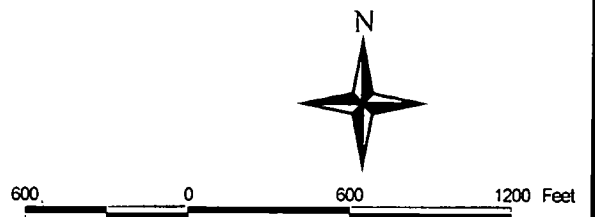
FOR CITY CLERK USE ONLY

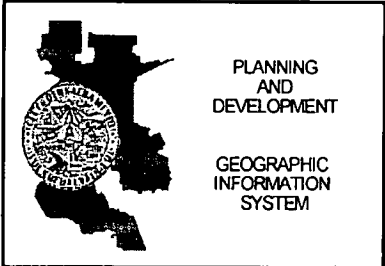
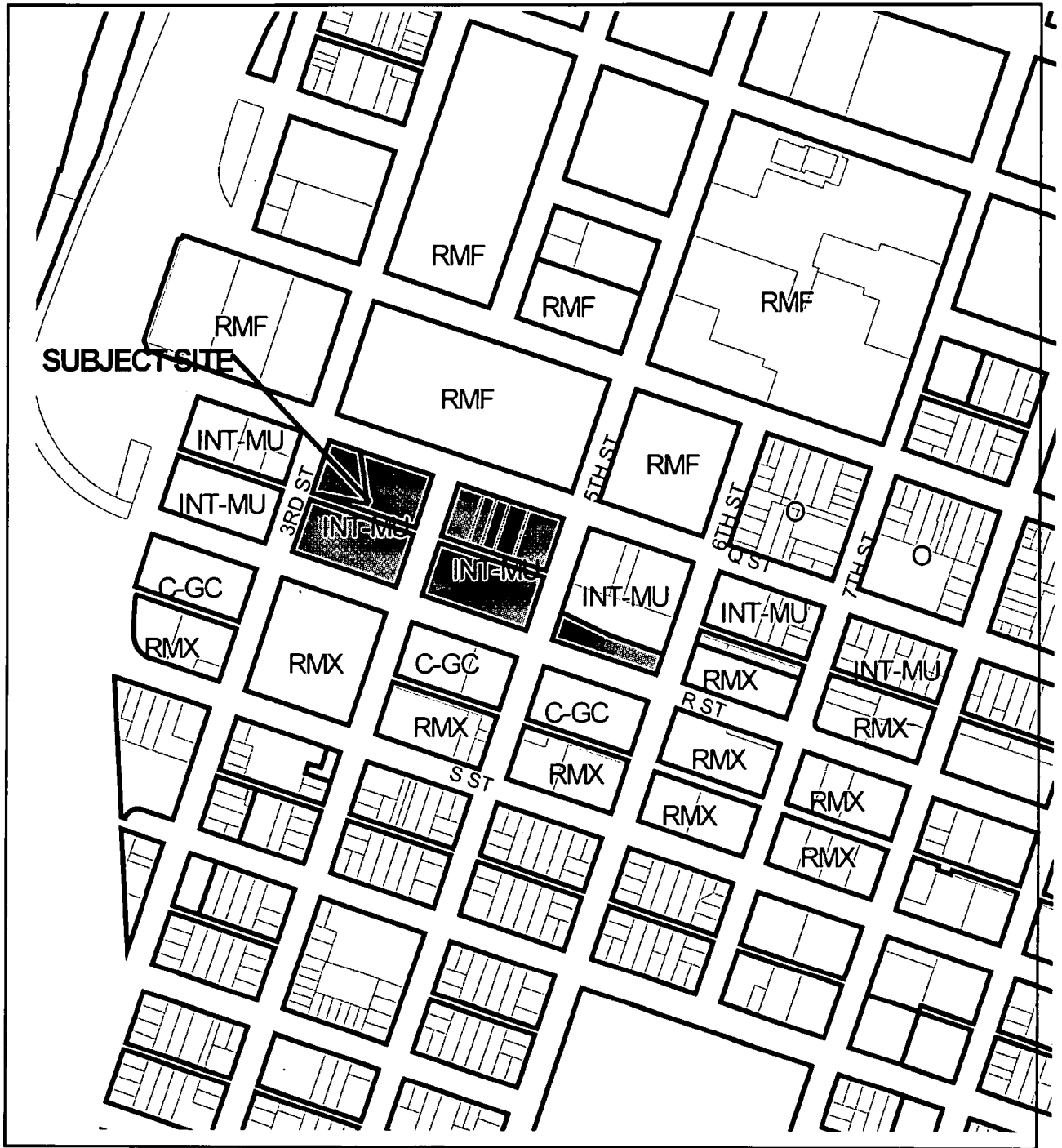
RESOLUTION NO.: _____

DATE ADOPTED: _____



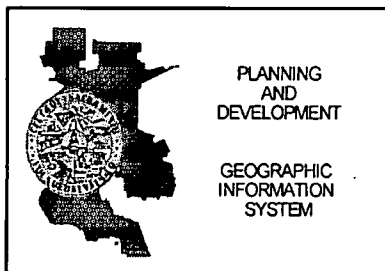
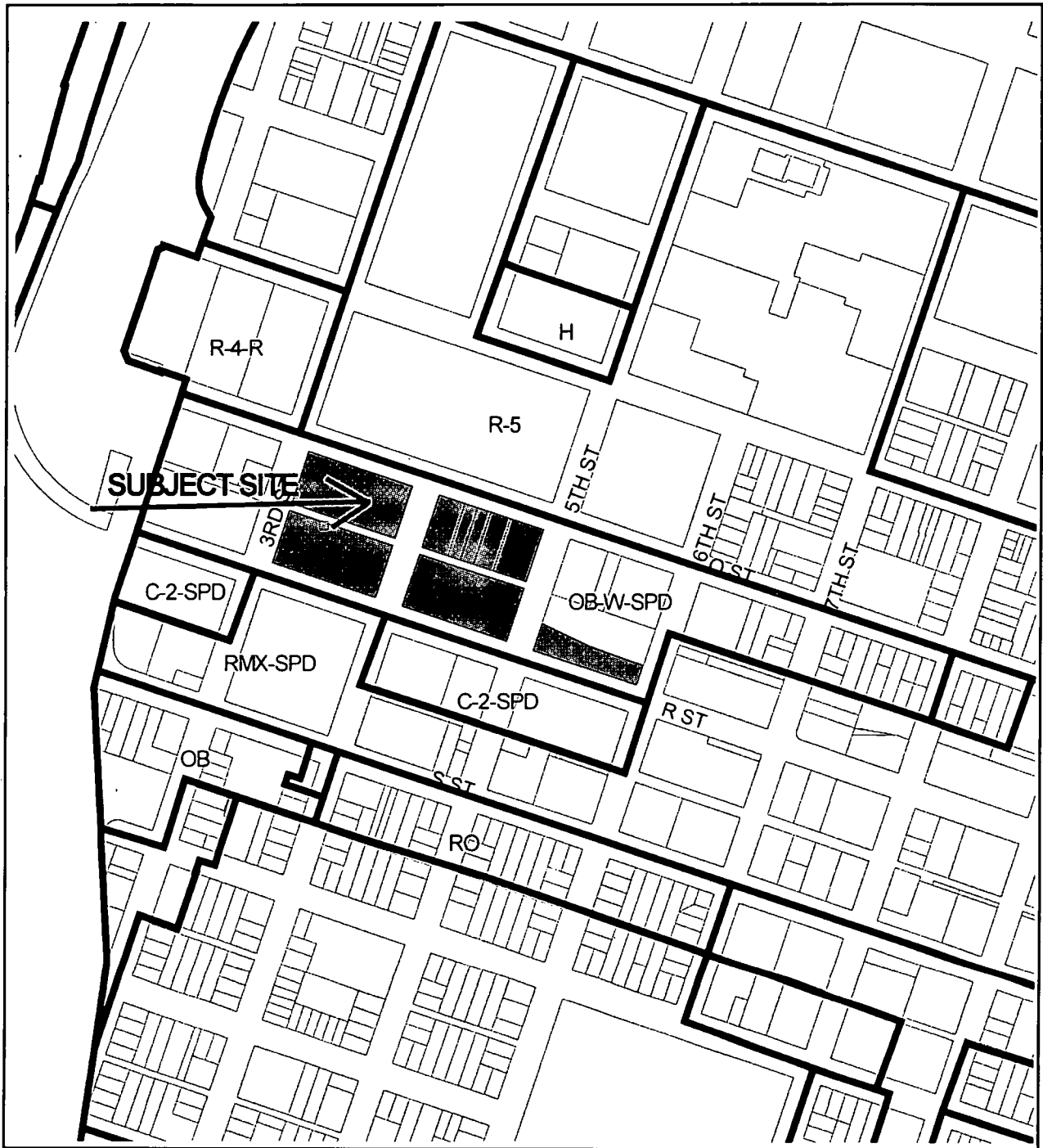
VICINITY MAP
M98-036





**CENTRAL CITY COMMUNITY PLAN AMENDMENTS
UNION PACIFIC SITE - M98-036
FROM INT-MU (INTENSIVE MIXED USE) TO RMX (RESIDENTIAL MIXED USE)**





**UNION PACIFIC REZONING -M98-036
FROM OB-W-SPD TO RMX-SPD**

