

DECLARATION OF MAILING

I declare that:

I am a citizen of the United States, employed in the City of Santa Ana, County of Orange, State of California, over eighteen years of age, and employed with the ROSENOW SPEVACEK GROUP, INC., doing business as consultants for the REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO, City of Sacramento, County of Sacramento, and State of California.

My business address is: 309 West 4th Street, Santa Ana, California, 92701-4502.

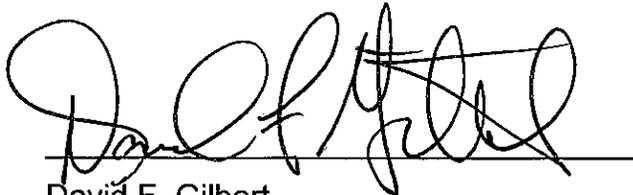
I served the following documents via Certified Mail with Return Receipt requested:

- 1. Letter to affected taxing agencies regarding a Joint Public Hearing for the Proposed Seventh Amendment to the Redevelopment Plan for the Richards Boulevard Redevelopment Project, Proposed Redevelopment Plan for the Railyards Redevelopment Project, and Final Environmental Impact Report Concerning Both; and**
- 2. Notice of Joint Public Hearing and Notice of Community Information Meeting; and**
- 3. Map of Proposed Railyards & River District Redevelopment Project Areas,**

with the United States Post Office (Spurgeon Station) 92702, in Santa Ana, California.

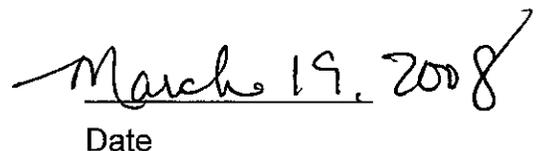
By mailing twenty-nine (10) true copies thereof on, Thursday, March 19, 2008, to the entities attached hereto.

I declare under penalty of perjury that the foregoing is true and correct; and that this Declaration was executed on Thursday, March 19, 2008.



David F. Gilbert

ROSENOW SPEVACEK GROUP INC.



Date

Sent Agency	Governing Body	Administrative Contact	Title	Address	City	ST	Zip
1 Grant Joint Union High School District	Board of Trustees	Larry Buchanan	Superintendent	1333 Grand Ave, Bldg F1	Sacramento	CA	95838
1 Los Rios Community College District	Board of Trustees	Brice Harris	Chancellor	1919 Spanos Ct	Sacramento	CA	95825
1 North Sacramento School District	Board of Trustees	Dennis Tillett	Superintendent	670 Dixieanne Ave	Sacramento	CA	95815
1 Sacramento City Unified School District	Board of Education	Magdalena Carrillo Mejia	Superintendent	5735 47th Ave	Sacramento	CA	95824
	Board of Education	Jim Dobson	Director II, Operations & Planning				
		William West, Jr.	Assistant Superintendent				
1 Sacramento County Office of Education	Board of Education	David Gordon	Superintendent	P.O. Box 269003	Sacramento	CA	95826-9003
1 County of Sacramento	Board of Supervisors	Terry Schuttlen	County Executive	700 H St, Room 7650	Sacramento	CA	95814
1 Sacramento County Regional Occupational Center	Board of Education	Linda Mitchell	Principal	P.O. Box 269004	Sacramento	CA	95826-9003
1 Sacramento/Yolo Mosquito & Vector Control District	Board of Trustees	David Brown	Manager	8631 Bond Rd	Elk Grove	CA	95624
1 County Assessor			Assessor	3701 Power Inn Rd, Suite 3000	Sacramento	CA	95826-4329
1 County Auditor-Controller, Property Tax Accounting Unit			Auditor-Controller	700 H St, Room 4650	Sacramento	CA	95814
4 California Department of Finance		Michael C. Gense	Finance Director	915 L St	Sacramento	CA	95814
1 California Department of Housing and Community Development		Lynn L. Jacobs	Department Director	1800 Third Street	Sacramento	CA	95811

**[DRAFT LETTER TO GOVERNING BODY/AFFECTED TAXING ENTITIES--
TO BE SENT VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED,
NO LATER THAN MARCH 21, 2008]**

[Date]

[NAME OF TAXING ENTITY]
[ADDRESS]
[ADDRESS]

**NOTICE OF JOINT AND CONCURRENT PUBLIC HEARINGS
TO BE HELD APRIL 22, 2008, 6:00 P.M.
PROPOSED SEVENTH AMENDMENT TO THE REDEVELOPMENT
PLAN FOR THE RICHARDS BOULEVARD REDEVELOPMENT
PROJECT, PROPOSED REDEVELOPMENT PLAN FOR THE
RAILYARDS REDEVELOPMENT PROJECT, AND FINAL
ENVIRONMENTAL IMPACT REPORT CONCERNING BOTH**

Dear _____:

The City Council of the City of Sacramento and the Redevelopment Agency of the City of Sacramento invite you to attend joint and concurrent public hearings concerning the proposed Seventh Amendment to the Redevelopment Plan for the Richards Boulevard Redevelopment Project (the "Richards Amendment") and the proposed Redevelopment Plan for the Railyards Redevelopment Project (the "Railyards Plan"). The joint and concurrent public hearings will be held on Tuesday, April 22, 2008, at 6:00 p.m., in the City Council Chambers, City Hall, 915 I Street, Sacramento, California.

The proposed Richards Amendment will remove 298 acres from within the boundaries of the Richards Project Area and rename the remaining area the River District Redevelopment Project. No other changes will be made to the existing Redevelopment Plan for the Richards Boulevard (River District) Redevelopment Project. The 298 acres proposed to be removed from the Richards Project Area consists primarily of the former Sacramento Union Pacific Railyards and, with the exception of a two-acre government-owned parcel, is to be included within the boundaries of the Railyards Redevelopment Project (the "Railyards Project Area") for which the Railyards Plan is proposed. The principal purposes of the proposed Richards Amendment and new Railyards Plan are: (1) to enable the Railyards Project Area to be developed and to provide support and assistance to that development as feasible, necessary and appropriate; and (2) to protect the remainder of the Richards (River District) Project Area from the costs and other development constraints particularly affecting the proposed Railyards Project Area. Both actions must be approved and adopted in order for either action to become effective. Enclosed with this letter is the official notice of the joint and concurrent public hearings, which includes a map showing the boundaries of both Richards Boulevard Project Area, as it is proposed to be amended, and the proposed Railyards Project Area.

You may inspect and/or obtain copies of the proposed Richards Amendment, proposed Railyards Plan and all related documents at the office of the City Clerk, City of Sacramento,

[NAME OF TAXING ENTITY]

[Date]

Page 2

located at Historic City Hall, 915 I Street, Sacramento, California. Your further inquiries and attendance at the public hearings are, of course, welcome.

If you have any questions, please call Ms. Rachel Hazlewood, Senior Project Manager, City of Sacramento Economic Development Department, at (916) 808-8645, between 9:00 a.m. and 4:00 p.m., Monday through Friday.

Very truly yours,

Attachment: Legal Notice

CITY COUNCIL OF THE CITY OF SACRAMENTO
REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

**NOTICE OF JOINT PUBLIC HEARINGS AND
NOTICE OF COMMUNITY INFORMATION MEETING**

NOTICE IS HEREBY GIVEN that the City Council of the City of Sacramento ("City Council") and the Redevelopment Agency of the City of Sacramento ("Agency") will hold joint public hearings on **Tuesday, April 22, 2008, at 6:00 p.m.**, in the City Council Chambers, located at 915 I Street, Sacramento, California, to consider:

- **The proposed Seventh Amendment to the Redevelopment Plan for the Richards Boulevard Redevelopment Project (the "Richards Amendment")**
- **The proposed Redevelopment Plan for the Railyards Redevelopment Project (the "Railyards Plan")**
- **The Final Environmental Impact Report related to the Richards Amendment and the Railyards Plan (the "FEIR")**

and all evidence and testimony for or against the approval and adoption of the proposed Richards Amendment and Railyards Plan and the certification of the FEIR. At any time not later than the hour set forth above for the hearing of comments on or objections to the proposed Richards Amendment, the proposed Railyards Plan, or to the content or adequacy of the FEIR, any person may file in writing with the City Clerk of the City of Sacramento a statement of objections to the proposed Richards Amendment, the proposed Railyards Plan or the FEIR. At the day, hour, and place of the hearing, any and all persons having any comments on or objections to the proposed Richards Amendment, the proposed Railyards Plan or the FEIR, or who question the regularity of any of the prior proceedings, may appear before the City Council and the Agency and state why the proposed Richards Amendment or Railyards Plan or both should not be adopted or why the FEIR should not be certified.

The proposed Richards Amendment will remove 300 acres from within the boundaries of the Richards Project Area and rename the remaining area the River District Redevelopment Project. The 300 acres proposed to be removed from the Richards Project Area consists primarily of the former Sacramento Union Pacific Railyards and, with the exception of a two-acre government-owned parcel, is to be included within the boundaries of the Railyards Redevelopment Project (the "Railyards Project Area") for which the Railyards Plan is proposed. The principal purposes of the proposed Richards Amendment and new Railyards Plan are: (1) to enable the Railyards Project Area to be developed and to provide support and assistance to that development as feasible, necessary and appropriate; and (2) to protect the remainder of the Richards (River District) Project Area from the costs and other development constraints particularly affecting the proposed Railyards Project Area. A map showing the boundaries of the Richards (River District) Project Area, as it is proposed to be amended, and the boundaries of the new Railyards Project Area is attached hereto as Exhibit A and made a part hereof. Copies of the legal descriptions of the boundaries of the Richards (River District) Project Area, as it is proposed to be amended, and the boundaries of the new Railyards Project Area are available, free of charge, at the office of the City Clerk, City of Sacramento, Historic City Hall, 915 I Street, Sacramento, California. The legal description of the boundaries of the existing Richards Project Area is contained in Book 51 on Page 10 of the Official Records of the County of Sacramento.

The general goals and objectives for redevelopment of the Richards (River District) Project Area will remain the same and are set forth in Section 100 of the existing Redevelopment Plan. The general goals and objectives for redevelopment of the Railyards Redevelopment Project are set forth in Section 100 of the proposed Railyards Plan, the primary goal of which is to provide for the elimination of blighting influences and the correction of environmental deficiencies in the Railyards Project Area.

Interested persons may inspect and, upon payment of the costs of reproduction, obtain copies of the proposed Richards Amendment, the existing Richards Boulevard Redevelopment Plan, the proposed Railyards Plan, the Agency's Report to the City Council on the proposed Richards Amendment and Railyards Plan, the FEIR, the Agency's adopted Rules Governing Participation and Preferences by Property Owners and Business Occupants in the Richards Boulevard (River District) Redevelopment Project, the Agency's adopted Rules Governing Participation and Preferences by Property Owners and Business Occupants in the Railyards Redevelopment Project, and any other information pertaining thereto at the office of the City Clerk, City of Sacramento, Historic City Hall, 915 I Street, Sacramento, California.

Should you wish to challenge in court the approval and adoption of the Richards Amendment, the Railyards Plan or the certification of the FEIR or any related action or document, you may be limited to raising only those issues you or someone else raised at the joint public hearings described in this notice or in written correspondence delivered to the City Clerk at or prior to the joint public hearings.

NOTICE IS HEREBY FURTHER GIVEN that a community information meeting regarding the proposed Richards Amendments and proposed Railyards Plan will also be held as follows:

DATE: April 8, 2008
TIME: 5:00 p.m.
PLACE: Economic Development Department Conference Room
1030 15th Street, 2nd Floor
Sacramento, California 95814

Any questions regarding this Notice or the proposed Richards Amendment or Railyards Plan or related documents should be directed to Ms. Rachel Hazlewood, Senior Project Manager, Economic Development Department, City of Sacramento, 1030 15th Street, 2nd Floor, Sacramento, California 95814, telephone (916) 808-8645.

By order of the City Council of the City of Sacramento and the Redevelopment Agency of the City of Sacramento.

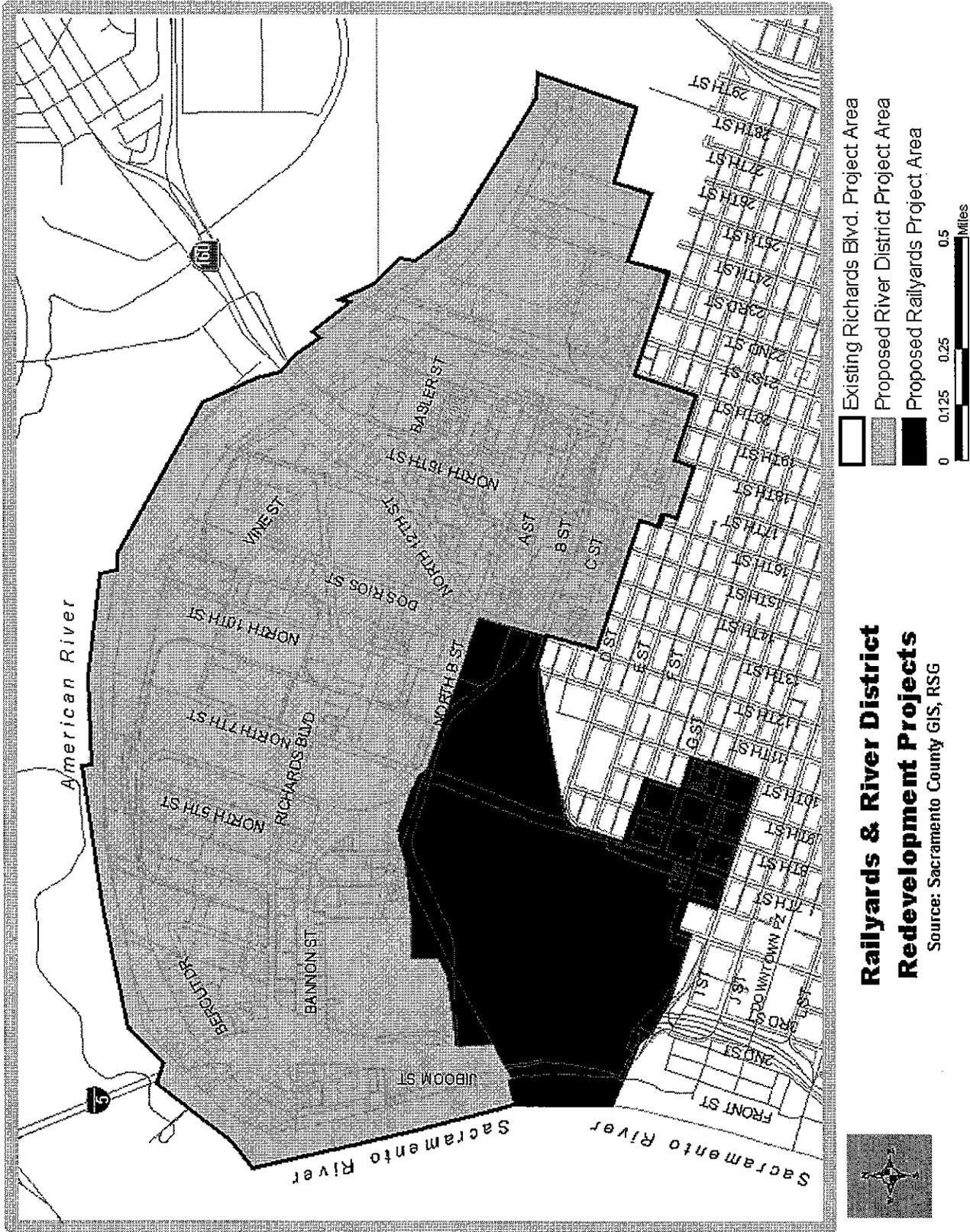
Dated: _____, 2008

City Clerk, City of Sacramento

Secretary, Redevelopment Agency of the
City of Sacramento

EXHIBIT A

MAP OF BOUNDARIES OF RICHARDS BOULEVARD (RIVER DISTRICT)
PROJECT AREA AND RAILYARDS PROJECT AREA



DECLARATION OF MAILING

I declare that:

I am a citizen of the United States, employed in the City of Santa Ana, County of Orange, State of California, over eighteen years of age, and employed with the ROSENOW SPEVACEK GROUP, INC., doing business as consultants for the REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO, City of Sacramento, County of Sacramento, and State of California.

My business address is: 309 West 4th Street, Santa Ana, California, 92701-4502.

I served the following documents via Certified Mail with Return Receipt requested:

- 1. Letter to California State Department of Finance regarding a Joint Public Hearing for the Proposed Seventh Amendment to the Redevelopment Plan for the Richards Boulevard Redevelopment Project, Proposed Redevelopment Plan for the Railyards Redevelopment Project, and Final Environmental Impact Report Concerning Both; and**
- 2. Notice of Joint Public Hearing and Notice of Community Information Meeting; and**
- 3. Map of Proposed Railyards & River District Redevelopment Project Areas; and**
- 4. Copy of the Report to City Council on the proposed plans, dated March 4, 2008,**

with the United States Post Office (Spurgeon Station) 92702, in Santa Ana, California.

By mailing one (1) true copies thereof on, Thursday, March 6, 2008, to the entities attached hereto.

I declare under penalty of perjury that the foregoing is true and correct; and that this Declaration was executed on Thursday, March 6, 2008.



David F. Gilbert
ROSENOW SPEVACEK GROUP INC.

3/6/2008
Date

SPEVACEK GROUP
681st 4th Street
Santa Ana, CA 92701-4502

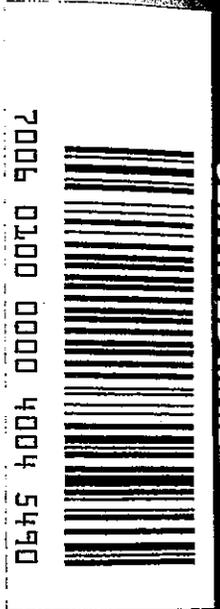
D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

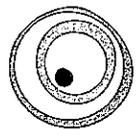
Number from SE 7006 0100 0000 4004 5490

811, February 2004 Domestic Return Receipt 102595-02-M-1540



CERTIFIED MAIL™

049J82037777
\$ 10.10
Mailed From 92701
03/06/2008
US POSTAGE



RSG
INTELLIGENT COMMUNITY DEVELOPMENT
ROSENOW SPEVACEK GROUP INC.
309 WEST 4TH STREET
SANTA ANA, CALIFORNIA
92701-4502

Michael C. Genest, Finance Director
CALIFORNIA STATE DEPT OF FINANCE
915 L St
Sacramento, CA 95814-3706

*Via Certified Mail
w/ Return Receipt Requested*

March 7, 2008

Michael C. Genest
Finance Director
California State Department of Finance
915 L Street
Sacramento, CA 95814

**NOTICE OF JOINT AND CONCURRENT PUBLIC HEARINGS
TO BE HELD APRIL 22, 2008, 6:00 P.M.
PROPOSED SEVENTH AMENDMENT TO THE REDEVELOPMENT
PLAN FOR THE RICHARDS BOULEVARD REDEVELOPMENT
PROJECT, PROPOSED REDEVELOPMENT PLAN FOR THE
RAILYARDS REDEVELOPMENT PROJECT, AND FINAL
ENVIRONMENTAL IMPACT REPORT CONCERNING BOTH**

Dear Mr. Genest:

The City Council of the City of Sacramento and the Redevelopment Agency of the City of Sacramento will hold joint and concurrent public hearings concerning the proposed Seventh Amendment to the Redevelopment Plan for the Richards Boulevard Redevelopment Project (the "Richards Amendment") and the proposed Redevelopment Plan for the Railyards Redevelopment Project (the "Railyards Plan") on Tuesday, April 22, 2008, at 6:00 p.m., in the City Council Chambers, City Hall, 915 L Street, Sacramento, California.

The proposed Richards Amendment will remove 298 acres from within the boundaries of the Richards Project Area and rename the remaining area the River District Redevelopment Project. No other changes will be made to the existing Redevelopment Plan for the Richards Boulevard (River District) Redevelopment Project. The 298 acres proposed to be removed from the Richards Project Area consists primarily of the former Sacramento Union Pacific Railyards and, with the exception of a two-acre government-owned parcel, is to be included within the boundaries of the Railyards Redevelopment Project (the "Railyards Project Area") for which the Railyards Plan is proposed. The principal purposes of the proposed Richards Amendment and new Railyards Plan are: (1) to enable the Railyards Project Area to be developed and to provide support and assistance to that development as feasible, necessary and appropriate; and (2) to protect the remainder of the Richards (River District) Project Area from the costs and other development constraints particularly affecting the proposed Railyards Project Area. Both actions must be approved and adopted in order for either action to become effective.

Enclosed with this letter is the official notice of the joint and concurrent public hearings, which includes a map showing the boundaries of both the Richards Boulevard Project Area, as it is proposed to be amended, and the proposed Railyards Project Area. Also enclosed is the Redevelopment Agency's Report to the City Council on the proposed Richards Amendment and Railyards Plan. The Report to the City Council contains the information required by Sections

Mr. Michael C. Genest, Finance Director
California State Department of Finance
March 7, 2008
Page 2

33352, 33451.5 and 33457.1 of the California Community Redevelopment Law (Health and Safety Code Section 35000 *et seq.*).

If you have any questions, please call Ms. Rachel Hazlewood, Senior Project Manager, City of Sacramento Economic Development Department, at (916) 808-8645, between 9:00 a.m. and 4:00 p.m., Monday through Friday.

Very truly yours,
REDEVELOPMENT AGENCY OF THE CITY OF
SACRAMENTO
Rachel Hazlewood
Senior Project Manager

Attachments: Legal Notice
Report to the City Council

CITY COUNCIL OF THE CITY OF SACRAMENTO
REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

**NOTICE OF JOINT AND CONCURRENT PUBLIC HEARINGS
AND NOTICE OF COMMUNITY INFORMATION MEETING**
**PROPOSED SEVENTH AMENDMENT TO THE REDEVELOPMENT PLAN FOR
THE RICHARDS BOULEVARD REDEVELOPMENT PROJECT, PROPOSED
REDEVELOPMENT PLAN FOR THE RAILYARDS REDEVELOPMENT PROJECT,
AND FINAL ENVIRONMENTAL IMPACT REPORT ON BOTH**

NOTICE IS HEREBY GIVEN that the City Council of the City of Sacramento ("City Council") and the Redevelopment Agency of the City of Sacramento ("Agency") will hold joint and concurrent public hearings on Tuesday, April 22, 2008, at 6:00 p.m., in the City Council Chambers, located at 915 I Street, Sacramento, California, to consider:

- The proposed Seventh Amendment to the Redevelopment Plan for the Richards Boulevard Redevelopment Project (the "Richards Amendment")
- The proposed Redevelopment Plan for the Railyards Redevelopment Project (the "Railyards Plan")

and all evidence and testimony for or against the approval and adoption of the proposed Richards Amendment and Railyards Plan. At any time not later than the hour set forth above for the hearing of comments on or objections to the proposed Richards Amendment and Railyards Plan, any person may file in writing with the City Clerk of the City of Sacramento a statement of objections to the proposed Richards Amendment or Railyards Plan or both. At the day, hour, and place of the hearings, any and all persons having any comments on or objections to the proposed Richards Amendment or Railyards Plan or both, or who question the regularity of any of the prior proceedings, may appear before the City Council and the Agency and state why the proposed Richards Amendment or Railyards Plan or both should not be adopted.

IN ADDITION, AT THE SAME TIME AND PLACE, the City Council and the Agency will hold a joint and concurrent public hearing to consider the Final Environmental Impact Report related to the Richards Amendment and Railyards Plan, and all evidence and testimony for or against the certification of the Final Environmental Impact Report. At the day, hour and place of the hearing, all interested persons desiring to comment on, or having objections to, the content or adequacy of the Final Environmental Impact Report may appear before the City Council and the Agency and be heard.

The proposed Richards Amendment will remove 298 acres from within the boundaries of the Richards Project Area and rename the remaining area the River District Redevelopment Project. The 298 acres proposed to be removed from the Richards Project Area consists primarily of the former Sacramento Union Pacific Railyards and, with the exception of a two-acre government-owned parcel, is to be included within the boundaries of the Railyards Redevelopment Project (the "Railyards Project Area") for which the Railyards Plan is proposed. The principal purposes of the proposed Richards Amendment and new Railyards Plan are: (1) to enable the Railyards Project Area to be developed and to provide support and assistance to that development as feasible, necessary and appropriate; and (2) to protect the remainder of the Richards (River District) Project Area from the costs and other development constraints particularly affecting the proposed Railyards Project Area. A map showing the boundaries of the Richards (River District) Project Area, as it is proposed to be amended, and the boundaries of the new Railyards Project Area is attached hereto as Exhibit A and made a part hereof. Copies of the legal descriptions of the boundaries of the Richards (River District) Project Area, as it is proposed to be amended, and the boundaries of the new Railyards Project Area are available, free of charge, at the office of the City Clerk, City of Sacramento, Historic City Hall, 915 I Street,

Sacramento, California. The legal description of the boundaries of the existing Richards Project Area is contained in Book _____ on Pages _____ of the Official Records of the County of Sacramento.

The general goals and objectives of the Redevelopment Plan for the Richards (River District) Project Area will remain the same and are set forth in Section 100 of the existing Redevelopment Plan. The general goals and objectives of the proposed Redevelopment Plan for the Railyards Redevelopment Project are as follows:

- Eliminate blighting influences and correct environmental deficiencies in the Project Area, including, among others, buildings in which it is unsafe or unhealthful for persons to live or work, conditions that substantially hinder the viable use and capacity of buildings and lots, impaired investments, high business vacancies, and inadequate or deteriorated public improvements, facilities, and utilities;
- Strengthen the economic and employment base of the Project Area and the community by removing impediments to and encouraging new residential and commercial development and other private investment;
- Improve public facilities and infrastructure, including providing adequate access to and within the Project Area and infrastructure that meets modern health and safety standards, provide adequate land for parks and open spaces, and promote an overall environment for social and economic growth;
- Implement design and use standards to assure high aesthetic and environmental quality and provide unity and integrity to developments within the Project Area, preserving historic resources where feasible and promoting public transit access and use;
- Encourage the cooperation and participation of residents, businesses, public agencies and community organizations in the redevelopment and revitalization of the Project Area; and
- Increase, improve and preserve the community's supply of housing available to extremely low, very low, low and moderate income persons and families.

Interested persons may inspect and, upon payment of the costs of reproduction, obtain copies of the proposed Richards Amendment, the existing Richards Boulevard Redevelopment Plan, the proposed Railyards Plan, the Agency's Report to the City Council on the proposed Richards Amendment and Railyards Plan, the Final Environmental Impact Report, the Agency's adopted Rules Governing Participation and Preferences by Property Owners and Business Occupants in the Richards Boulevard (River District) Redevelopment Project, the Agency's adopted Rules Governing Participation and Preferences by Property Owners and Business Occupants in the Railyards Redevelopment Project, and any other information pertaining thereto at the office of the City Clerk, City of Sacramento, Historic City Hall, 915 I Street, Sacramento, California.

Should you wish to challenge in court the approval and adoption of the Richards Amendment, the Railyards Plan or the certification of the Final Environmental Impact Report or any related action or document, you may be limited to raising only those issues you or someone else raised at the joint and concurrent public hearings described in this notice or in written correspondence delivered to the City Clerk at or prior to the joint and concurrent public hearings.

NOTICE IS HEREBY FURTHER GIVEN that a community information meeting regarding the proposed Richards Amendments and proposed Railyards Plan will also be held as follows:

DATE: April 8, 2008
TIME: 5:00 p.m.
PLACE: Economic Development Department Conference Room
 1030 15th Street, 2nd Floor
 Sacramento, California 95814

Any questions regarding this Notice or the proposed Richards Amendment or Railyards Plan or related documents should be directed to Ms. Rachel Hazlewood, Senior Project Manager, Economic Development Department, City of Sacramento, 1030 15th Street, 2nd Floor, Sacramento, California 95814, telephone (916) 808-8645.

By order of the City Council of the City of Sacramento and the Redevelopment Agency of the City of Sacramento.

Dated: _____, 2008

 City Clerk, City of Sacramento

 Secretary, Redevelopment Agency of the City of Sacramento

EXHIBIT A
 MAP OF BOUNDARIES OF RICHARDS BOULEVARD RIVER DISTRICT
 PROJECT AREA AND RAILYARDS PROJECT AREA

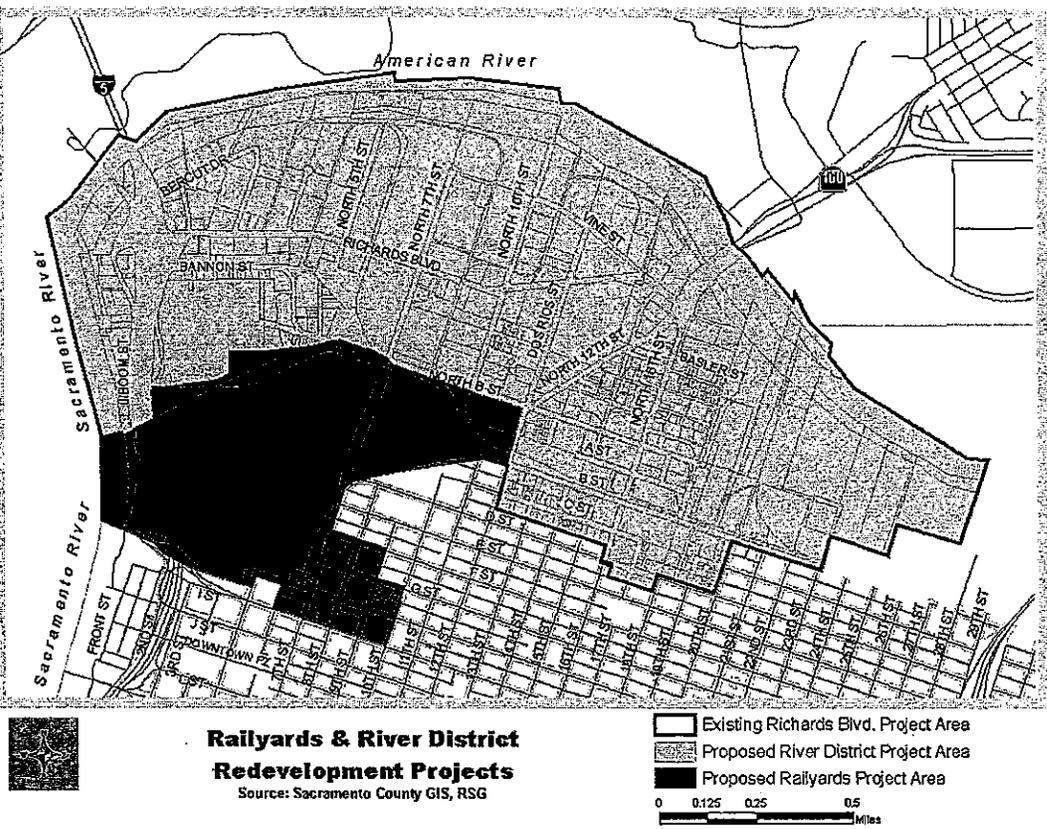




Table of Contents

INTRODUCTION

Background.....	i
Plan Amendment and Adoption.....	iii
Contents of this Report.....	v

SECTION A

Reasons for the Proposed Actions, Including a Description of the Proposed Projects and How Such Projects will Improve or Alleviate Blight in the Rallyards Area.....	1
Project Area Location.....	1
Reasons for Amending the Redevelopment Plan.....	1
Proposed Actions.....	2
Low and Moderate Income Housing Program.....	4
Determination as to Whether the Rallyards Area is Predominantly Urbanized.....	5
A Description of Specific Projects the Agency May Pursue and How Potential Projects Will Address Continuing Redevelopment of the Rallyards Area.....	8

SECTION B

A Description of the Physical and Economic Blighting Conditions Existing in the Rallyards Area.....	11
Physical Blight.....	12
Economic Blight.....	48

SECTION C

Five-Year Implementation Plans.....	66
-------------------------------------	----

SECTION D

Explanation of Why the Elimination of Blight in the Project Area Cannot Be Accomplished by Private Enterprise Acting Alone or Through Other Financing Alternatives Other Than Tax Increment Financing.....	67
--	----

SECTION E

Description of the Proposed Method of Financing, Including the Economic Feasibility Of the Amendment and the Reasons for the Continued Inclusion of.....	69
Increment.....	68
Proposed Method of Financing.....	70
Tax Increment Projections.....	73
Economic Feasibility Analysis.....	75

Report to the City Council on the proposed

Seventh Amendment to the Redevelopment Plan for
the Richards Boulevard Redevelopment Project
and

Adoption of the Redevelopment Plan for the
Rallyards Redevelopment Project

March 4, 2008



RSSG
INTELLIGENT COMMUNITY DEVELOPMENT

ROSENOW SPEVACEK GROUP INC.,
309 WEST 4TH STREET
SACRAMENTO, CALIFORNIA
95814-4502

T 774.541.4585
F 774.541.1175
E INFO@WERSRG.COM
W WERSRG.COM

Table of Contents

SECTION F	
Method of Relocation	76
SECTION G	
Analysis of the Preliminary Plans	77
SECTION H	
Report of the Planning Commission	79
SECTION I	
Report of Community Outreach Efforts	80
SECTION J	
Statement of Conformance to the General Plan	81
SECTION K	
Environmental Documentation	82
SECTION L	
Report of the County Fiscal Officer	84
SECTION M	
Neighborhood Impact Report	85
SECTION N	
Summary of Agency's Consultations with Affected Taxing Entities and Response to Said Entities' Concerns Regarding the Plan	89
APPENDIX A	
Railyards Area Five Year Implementation Plan	
APPENDIX B	
River District Area Five Year Implementation Plan	
APPENDIX C	
Railyards Area Base Year Reports	

INTRODUCTION

BACKGROUND

The Redevelopment Agency of the City of Sacramento ("Agency") adopted the Richards Boulevard Redevelopment Plan ("Richards Plan") in 1990 to address blighting conditions in a portion of Downtown Sacramento. Despite numerous attempts to alleviate blight in the Richards Boulevard Project Area ("Richards Area"), many blighting conditions still remain. In particular, the southern portion of the Richards Area containing the former Union Pacific Railyards has several unique issues that require separate attention. Thus, the Agency is pursuing an amendment to the Richards Plan ("Plan Amendment") to remove the southern portion of the Richards Area and concurrently designate it as a separate Railyards Redevelopment Project Area ("Railyards Area") under a new Railyards Redevelopment Plan ("Railyards Plan" or "Plan Adoption"). As part of the Plan Amendment, the Richards Redevelopment Project ("Richards Project") will be renamed the River District Redevelopment Project ("River District Project").

The Railyards Area consists of 58 acres of governmental and professional offices and 240 acres of the former Sacramento Union Pacific Railyards. It contains several historic buildings that were the heart of the City's early industrial movement in the late 1800's. Though a part of the Richards Area since 1990, efforts by the Agency to redevelop the Railyards Area over the past 18 years have not resulted in any substantive change due to unique obstacles that make it different from the rest of the Richards Area. These obstacles include historic preservation issues and costs, a severe lack of infrastructure, environmental contamination and a need to realign the area's levee system.

Railyards Area History

The Railyards Area emerged as the heart of the early industrial movement in the western United States, serving as the western terminus of the Transcontinental Railroad since the early 1860s. The Central Pacific and Southern Pacific railroads operated in the Railyards Area for almost 140 years. During its peak in the 1930s and 1940s, the Railyards Area was the region's largest employer and hosted the largest railroad facility of its kind west of the Mississippi River. Industry activity slowed as auto and air travel grew in popularity, and few buildings were constructed after 1945. The site had more than 90 buildings in the 1940s; however, most were destroyed or demolished after activity declined and now only eight of the major historic buildings remain. The last rail yard workers left in 1995, leaving much of the Railyards Area abandoned. Union Pacific purchased the Southern Pacific Railroad in the late 1990s, acquiring most property within the Railyards Area. Today, approximately 240 acres of the Railyards Area is owned by Thomas Enterprises; the remaining area is owned by government agencies and private parties.¹

¹ Source: Sacramento Railyards Specific Plan Public Review Draft (August 2007) and Draft Environmental Impact Report for the Railyards Specific Plan (August 2007)



DECLARATION OF MAILING

I declare that:

I am a citizen of the United States, employed in the City of Santa Ana, County of Orange, State of California, over eighteen years of age, and employed with the ROSENOW SPEVACEK GROUP, INC., doing business as consultants for the REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO, City of Sacramento, County of Sacramento, and State of California.

My business address is: 309 West 4th Street, Santa Ana, California, 92701-4502.

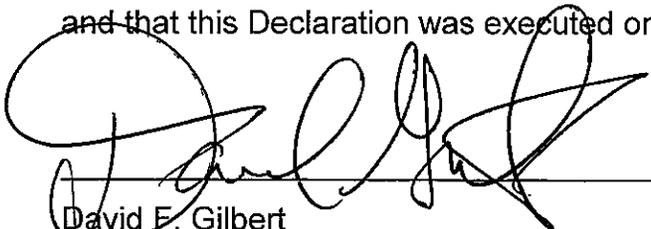
I served the following documents via Certified Mail with Return Receipt requested:

1. **Letter to California Department of Housing & Community Development regarding a Joint Public Hearing for the Proposed Seventh Amendment to the Redevelopment Plan for the Richards Boulevard Redevelopment Project, Proposed Redevelopment Plan for the Railyards Redevelopment Project, and Final Environmental Impact Report Concerning Both; and**
2. **Notice of Joint Public Hearing and Notice of Community Information Meeting; and**
3. **Map of Proposed Railyards & River District Redevelopment Project Areas; and**
4. **Copy of the Report to City Council on the proposed plans, dated March 4, 2008,**

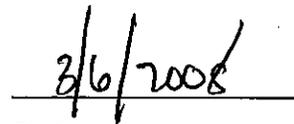
with the United States Post Office (Spurgeon Station) 92702, in Santa Ana, California.

By mailing one (1) true copies thereof on, Thursday, March 6, 2008, to the entities attached hereto.

I declare under penalty of perjury that the foregoing is true and correct; and that this Declaration was executed on Thursday, March 6, 2008.



David F. Gilbert
ROSENOW SPEVACEK GROUP INC.



Date



7006 0100 0000 4004 5506

PEVACEK GROUP
81 4th Street
CA 92701-4502

049J82037777
\$ 10.10
03/06/2008
Mailed From 92701
US POSTAGE



neopost



INTELLIGENT COMMUNITY DEVELOPMENT
ROSENOW SPEVACEK GROUP INC.
309 WEST 4TH STREET
SANTA ANA, CALIFORNIA
92701-4502

Lynn L. Jacobs, Department Director
CALIFORNIA DEPARTMENT OF
HOUSING & COMMUNITY DEVELOPMENT
1800 3rd St
Sacramento, CA 95811-6942

Addressed to:

D. Is delivery address different from item 1? Yes No
If YES, enter delivery address below:

3. Service Type
 Certified Mail
 Express Mail
 Registered
 Return Receipt for Merchandise
 Insured Mail
 C.O.D.

4. Restricted Delivery? (Extra Fee) Yes No

Number _____
 (Number from service label) 7006 0100 0000 4004 5506

13811, February 2004
 Domestic Return Receipt
 102595-02-M-1540

Ms. Lynn L. Jacobs, Department Director
California Department of Housing and Community Development
March 7, 2008
Page 2

Via Certified Mail
w/ Return Receipt Requested

March 7, 2008

Lynn L. Jacobs
Department Director
California Department of Housing and Community Development
1800 Third Street
Sacramento, CA 95811

**NOTICE OF JOINT AND CONCURRENT PUBLIC HEARINGS
TO BE HELD APRIL 22, 2008, 6:00 P.M.
PROPOSED SEVENTH AMENDMENT TO THE REDEVELOPMENT
PLAN FOR THE RICHARDS BOULEVARD REDEVELOPMENT
PROJECT, PROPOSED REDEVELOPMENT PLAN FOR THE
RAILYARDS REDEVELOPMENT PROJECT, AND FINAL
ENVIRONMENTAL IMPACT REPORT CONCERNING BOTH**

Dear Ms. Jacobs:

The City Council of the City of Sacramento and the Redevelopment Agency of the City of Sacramento will hold joint and concurrent public hearings concerning the proposed Seventh Amendment to the Redevelopment Plan for the Richards Boulevard Redevelopment Project (the "Richards Amendment") and the proposed Redevelopment Plan for the Railyards Redevelopment Project (the "Railyards Plan") on Tuesday, April 22, 2008, at 6:00 p.m., in the City Council Chambers, City Hall, 915 I Street, Sacramento, California.

The proposed Richards Amendment will remove 298 acres from within the boundaries of the Richards Project Area and rename the remaining area the River District Redevelopment Project. No other changes will be made to the existing Redevelopment Plan for the Richards Boulevard (River District) Redevelopment Project. The 298 acres proposed to be removed from the Richards Project Area consists primarily of the former Sacramento Union Pacific Railyards and, with the exception of a two-acre government-owned parcel, is to be included within the boundaries of the Railyards Redevelopment Project (the "Railyards Project Area") for which the Railyards Plan is proposed. The principal purposes of the proposed Richards Amendment and new Railyards Plan are: (1) to enable the Railyards Project Area to be developed and to provide support and assistance to that development as feasible, necessary and appropriate; and (2) to protect the remainder of the Richards (River District) Project Area from the costs and other development constraints particularly affecting the proposed Railyards Project Area. Both actions must be approved and adopted in order for either action to become effective.

Enclosed with this letter is the official notice of the joint and concurrent public hearings, which includes a map showing the boundaries of both the Richards Boulevard Project Area, as it is proposed to be amended, and the proposed Railyards Project Area. Also enclosed is the Redevelopment Agency's Report to the City Council on the proposed Richards Amendment and Railyards Plan. The Report to the City Council contains the information required by Sections

33352, 33451.5 and 33457.1 of the California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*).

If you have any questions, please call Ms. Rachel Hazlewood, Senior Project Manager, City of Sacramento Economic Development Department, at (916) 808-8645, between 9:00 a.m. and 4:00 p.m., Monday through Friday.

Very truly yours,
REDEVELOPMENT AGENCY OF THE CITY OF
SACRAMENTO

Rachel Hazlewood
Senior Project Manager

Attachments: Legal Notice
Report to the City Council

CITY COUNCIL OF THE CITY OF SACRAMENTO
REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

**NOTICE OF JOINT AND CONCURRENT PUBLIC HEARINGS
AND NOTICE OF COMMUNITY INFORMATION MEETING**

PROPOSED SEVENTH AMENDMENT TO THE REDEVELOPMENT PLAN FOR
THE RICHARDS BOULEVARD REDEVELOPMENT PROJECT, PROPOSED
REDEVELOPMENT PLAN FOR THE RAILYARDS REDEVELOPMENT PROJECT,
AND FINAL ENVIRONMENTAL IMPACT REPORT ON BOTH

NOTICE IS HEREBY GIVEN that the City Council of the City of Sacramento ("City Council") and the Redevelopment Agency of the City of Sacramento ("Agency") will hold joint and concurrent public hearings on Tuesday, April 22, 2008, at 6:00 p.m., in the City Council Chambers, located at 915 I Street, Sacramento, California, to consider:

- The proposed Seventh Amendment to the Redevelopment Plan for the Richards Boulevard Redevelopment Project (the "Richards Amendment")
- The proposed Redevelopment Plan for the Railyards Redevelopment Project (the "Railyards Plan")

and all evidence and testimony for or against the approval and adoption of the proposed Richards Amendment and Railyards Plan. At any time not later than the hour set forth above for the hearing or comments on or objections to the proposed Richards Amendment and Railyards Plan, any person may file in writing with the City Clerk of the City of Sacramento a statement of objections to the proposed Richards Amendment or Railyards Plan or both. At the day, hour, and place of the hearings, any and all persons having any comments or objections to the proposed Richards Amendment or Railyards Plan or both, or who question the regularity of any of the prior proceedings, may appear before the City Council and the Agency and state why the proposed Richards Amendment or Railyards Plan or both should not be adopted.

IN ADDITION, AT THE SAME TIME AND PLACE, the City Council and the Agency will hold a joint and concurrent public hearing to consider the Final Environmental Impact Report related to the Richards Amendment and Railyards Plan, and all evidence and testimony for or against the certification of the Final Environmental Impact Report. At the day, hour and place of the hearing, all interested persons desiring to comment on, or having objections to, the content or adequacy of the Final Environmental Impact Report may appear before the City Council and the Agency and be heard.

The proposed Richards Amendment will remove 298 acres from within the boundaries of the Richards Project Area and rename the remaining area the River District Redevelopment Project. The 298 acres proposed to be removed from the Richards Project Area consists primarily of the former Sacramento Union Pacific Railyards and, with the exception of a two-acre government-owned parcel, is to be included within the boundaries of the Railyards Redevelopment Project (the "Railyards Project Area") for which the Railyards Plan is proposed. The principal purposes of the proposed Richards Amendment and new Railyards Plan are: (1) to enable the Railyards Project Area to be developed and to provide support and assistance to that development as feasible, necessary and appropriate; and (2) to protect the remainder of the Richards (River District) Project Area from the costs and other development constraints particularly affecting the proposed Railyards Project Area. A map showing the boundaries of the Richards (River District) Project Area, as it is proposed to be amended, and the boundaries of the new Railyards Project Area is attached hereto as Exhibit A and made a part hereof. Copies of the legal descriptions of the boundaries of the Richards (River District) Project Area, as it is proposed to be amended, and the boundaries of the new Railyards Project Area are available, free of charge, at the office of the City Clerk, City of Sacramento, Historic City Hall, 915 I Street,

Sacramento, California. The legal description of the boundaries of the existing Richards Project Area is contained in Book _____ on Pages _____ of the Official Records of the County of Sacramento.

The general goals and objectives of the Redevelopment Plan for the Richards (River District) Project Area will remain the same and are set forth in Section 100 of the existing Redevelopment Plan. The general goals and objectives of the proposed Redevelopment Plan for the Railyards Redevelopment Project are as follows:

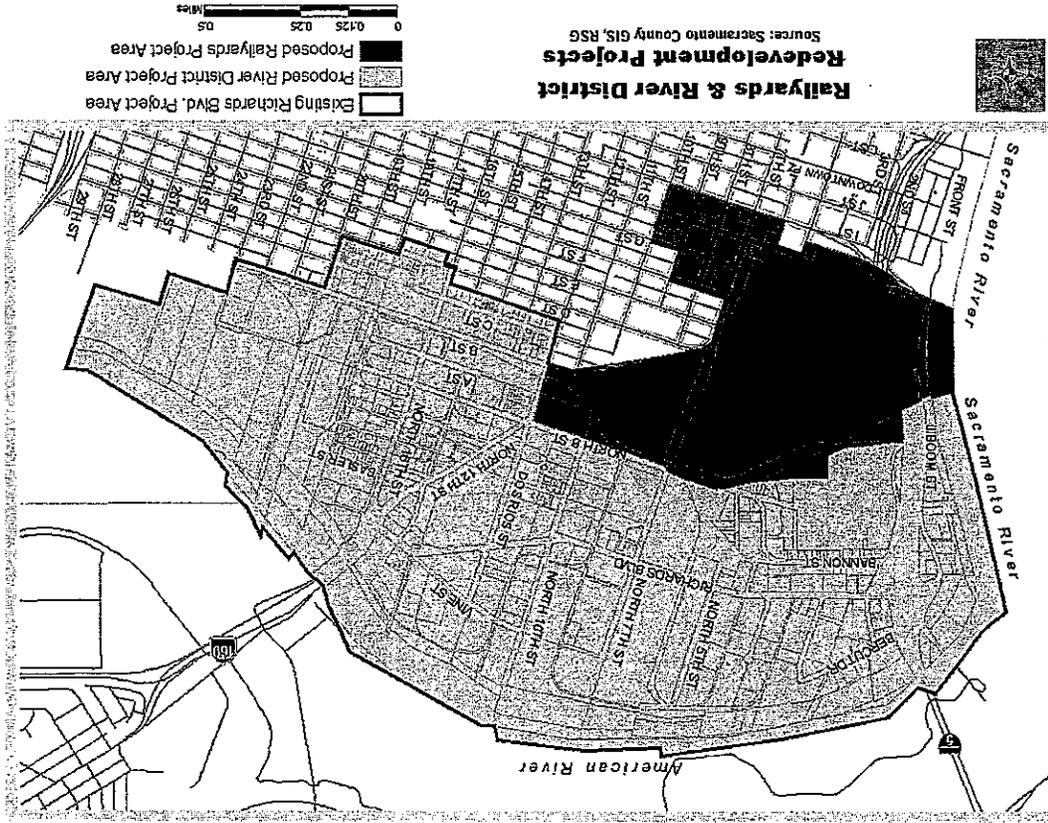
- Eliminate blighting influences and correct environmental deficiencies in the Project Area, including, among others, buildings in which it is unsafe or unhealthy for persons to live or work, conditions that substantially hinder the viable use and capacity of buildings and lots, impaired investments, high business vacancies, and inadequate or deteriorated public improvements, facilities, and utilities;
- Strengthen the economic and employment base of the Project Area and the community by removing impediments to and encouraging new residential and commercial development and other private investment;
- Improve public facilities and infrastructure, including providing adequate access to and within the Project Area and infrastructure that meets modern health and safety standards, provide adequate land for parks and open spaces, and promote an overall environment for social and economic growth;
- Implement design and use standards to assure high aesthetic and environmental quality and provide unity and integrity to developments within the Project Area, preserving historic resources where feasible and promoting public transit access and use;
- Encourage the cooperation and participation of residents, businesses, public agencies and community organizations in the redevelopment and revitalization of the Project Area; and
- Increase, improve and preserve the community's supply of housing available to extremely low, very low, low and moderate income persons and families.

Interested persons may inspect and, upon payment of the costs of reproduction, obtain copies of the proposed Richards Amendment, the existing Richards Boulevard Redevelopment Plan, the proposed Railyards Plan, the Agency's Report to the City Council on the proposed Richards Amendment and Railyards Plan, the Final Environmental Impact Report, the Agency's adopted Rules Governing Participation and Preferences by Property Owners and Business Occupants in the Richards Boulevard (River District) Redevelopment Project, the Agency's adopted Rules Governing Participation and Preferences by Property Owners and Business Occupants in the Railyards Redevelopment Project, and any other information pertaining thereto at the office of the City Clerk, City of Sacramento, Historic City Hall, 915 I Street, Sacramento, California.

Should you wish to challenge in court the approval and adoption of the Richards Amendment, the Railyards Plan or the certification of the Final Environmental Impact Report or any related action or document, you may be limited to raising only those issues you or someone else raised at the joint and concurrent public hearings described in this notice or in written correspondence delivered to the City Clerk at or prior to the joint and concurrent public hearings.

EXHIBIT A

MAP OF BOUNDARIES OF RICHARDS BOULEVARD (RIVER DISTRICT) PROJECT AREA AND RAILYARDS PROJECT AREA



NOTICE IS HEREBY FURTHER GIVEN that a community information meeting regarding the proposed Richards Amendments and proposed Railyards Plan will also be held as follows:

DATE: April 8, 2008
TIME: 5:00 p.m.
PLACE: Economic Development Department Conference Room
 1030 15th Street, 2nd Floor
 Sacramento, California 95814

Any questions regarding this Notice or the proposed Richards Amendment or Railyards Plan or related documents should be directed to Ms. Rachel Hazlewood, Senior Project Manager, Economic Development Department, City of Sacramento, 1030 15th Street, 2nd Floor, Sacramento, California 95814, telephone (916) 808-8645.

By order of the City Council of the City of Sacramento and the Redevelopment Agency of the City of Sacramento.

Dated: _____, 2008

 City Clerk, City of Sacramento

 Secretary, Redevelopment Agency of the
 City of Sacramento



Table of Contents

INTRODUCTION	
Background.....	i
Plan Amendment and Adoption.....	iii
Contents of this Report.....	v
SECTION A	
Reasons for the Proposed Actions, Including a Description of the Proposed Projects and How Such Projects will Improve or Alleviate Blight in the Railyards Area.....	1
Project Area Location.....	1
Reasons for Amending the Redevelopment Plan.....	1
Proposed Actions.....	2
Low and Moderate Income Housing Program.....	4
Determination as to Whether the Railyards Area is Predominantly Urbanized.....	5
A Description of Specific Projects the Agency May Pursue and How Potential Projects Will Address Continuing Redevelopment of the Railyards Area.....	8
SECTION B	
A Description of the Physical and Economic Blighting Conditions Existing in the Railyards Area.....	11
Physical Blight.....	12
Economic Blight.....	48
SECTION C	
Five-Year Implementation Plans.....	66
SECTION D	
Explanation of Why the Elimination of Blight in the Project Area Cannot Be Accomplished by Private Enterprise Acting Alone or Through Other Financing Alternatives Other Than Tax Increment Financing.....	67
SECTION E	
Description of the Proposed Method of Financing, Including the Economic Feasibility Of the Amendment and the Reasons for the Continued Inclusion of Increment.....	69
Proposed Method of Financing.....	68
Tax Increment Projections.....	70
Economic Feasibility Analysis.....	73
	75

Report to the City Council on the proposed Seventh Amendment to the Redevelopment Plan for the Richards Boulevard Redevelopment Project

and Adoption of the Redevelopment Plan for the Railyards Redevelopment Project

March 4, 2008



INTELLIGENT COMMUNITY DEVELOPMENT

ROSENOW SPEVACEK GROUP INC.
308 WEST 4TH STREET
SANTA ANA, CALIFORNIA
92701-4502

T 714.541.4585
F 714.541.1175
E INFO@WEBSG.COM
WEBSG.COM

Table of Contents

SECTION F		
Method of Relocation		76
SECTION G		
Analysis of the Preliminary Plans		77
SECTION H		
Report of the Planning Commission		79
SECTION I		
Report of Community Outreach Efforts		80
SECTION J		
Statement of Conformance to the General Plan		81
SECTION K		
Environmental Documentation		82
SECTION L		
Report of the County Fiscal Officer		84
SECTION M		
Neighborhood Impact Report		85
SECTION N		
Summary of Agency's Consultations with Affected Taxing Entities and Response to Said Entities' Concerns Regarding the Plan		89
APPENDIX A		
Railyards Area Five Year Implementation Plan		
APPENDIX B		
River District Area Five Year Implementation Plan		
APPENDIX C		
Railyards Area Base Year Reports		

INTRODUCTION

BACKGROUND

The Redevelopment Agency of the City of Sacramento ("Agency") adopted the Richards Boulevard Redevelopment Plan ("Richards Plan") in 1990 to address blighting conditions in a portion of Downtown Sacramento. Despite numerous attempts to alleviate blight in the Richards Boulevard Project Area ("Richards Area"), many blighting conditions still remain. In particular, the southern portion of the Richards Area containing the former Union Pacific Railyards has several unique issues that require separate attention. Thus, the Agency is pursuing an amendment to the Richards Plan ("Plan Amendment") to remove the southern portion of the Richards Area and concurrently designate it as a separate Railyards Redevelopment Project Area ("Railyards Area") under a new Railyards Redevelopment Plan ("Railyards Plan" or "Plan Adoption"). As part of the Plan Amendment, the Richards Redevelopment Project ("Richards Project") will be renamed the River District Redevelopment Project ("River District Project").

The Railyards Area consists of 58 acres of governmental and professional offices and 240 acres of the former Sacramento Union Pacific Railyards. It contains several historic buildings that were the heart of the City's early industrial movement in the late 1800's. Though a part of the Richards Area since 1990, efforts by the Agency to redevelop the Railyards Area over the past 18 years have not resulted in any substantive change due to unique obstacles that make it different from the rest of the Richards Area. These obstacles include historic preservation issues and costs, a severe lack of infrastructure, environmental contamination and a need to realign the area's levee system.

Railyards Area History

The Railyards Area emerged as the heart of the early industrial movement in the western United States, serving as the western terminus of the Transcontinental Railroad since the early 1860s. The Central Pacific and Southern Pacific railroads operated in the Railyards Area for almost 140 years. During its peak in the 1930s and 1940s, the Railyards Area was the region's largest employer and hosted the largest railroad facility of its kind west of the Mississippi River. Industry activity slowed as auto and air travel grew in popularity, and few buildings were constructed after 1945. The site had more than 90 buildings in the 1940s; however, most were destroyed or demolished after activity declined and now only eight of the major historic buildings remain. The last rail yard workers left in 1995, leaving much of the Railyards Area abandoned. Union Pacific purchased the Southern Pacific Railroad in the late 1990s, acquiring most property within the Railyards Area. Today, approximately 240 acres of the Railyards Area is owned by Thomas Enterprises; the remaining area is owned by government agencies and private parties.¹

¹ Source: Sacramento Railyards Specific Plan Public Review Draft (August 2007) and Draft Environmental Impact Report for the Railyards Specific Plan (August 2007)

