

ORDINANCE 2008-023

Adopted by the Sacramento City Council

May 13, 2008

APPROVING AND ADOPTING THE REDEVELOPMENT PLAN FOR THE RAILYARDS REDEVELOPMENT PROJECT

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

BACKGROUND

SECTION 1.

The City Council hereby finds and declares:

- A. The City Council of the City of Sacramento (the "City Council") has received from the Redevelopment Agency of the City of Sacramento (the "Agency") the proposed Redevelopment Plan (the "Railyards Plan") for the Railyards Redevelopment Project (the "Railyards Project"), a copy of which is on file at the office of the City Clerk (the "City Clerk") at 915 I Street, Historic City Hall, Sacramento, California, together with the combined Report of the Agency to the City Council on the adoption of both the Railyards Plan and the proposed Seventh Amendment (the "Richards Amendment") to the Redevelopment Plan (the "Richards Plan") for the Richards Boulevard Redevelopment Project (the "Richards Project"), which Report includes: (1) the reasons for the proposed actions; (2) a description of the physical and economic blighting conditions existing in the Railyards Project; (3) a description of specific projects proposed by the Agency in the Railyards Project and an explanation of how the proposed projects will alleviate the blighting conditions existing in the Railyards Project; (4) an implementation plan for the Railyards Project and an amended and restated implementation plan for the Richards Project (to be renamed the River District Redevelopment Project); (5) the proposed method of financing redevelopment of the Railyards Project, including an assessment of the economic feasibility of the Railyards Project; (6) an explanation of why the elimination of blight and redevelopment of the Railyards Project cannot be accomplished by private enterprise acting alone or through other financing alternatives other than tax increment financing; (7) a method or plan for relocation; (8) an analysis of the Preliminary Plan for the Railyards Project and the Amended and Restated Preliminary Plan for the Richards Project; (9) the Report and Recommendations of the Planning Commission of the City of Sacramento (the "Planning Commission"); (10) the Final Environmental Impact Report on the Richards Amendment and Railyards Plan; (11) a neighborhood impact report; and (12) a summary of consultations with affected taxing agencies.
- B. The Planning Commission has reported that the Railyards Plan conforms to the General Plan for the City of Sacramento and has recommended approval of the Railyards Plan.

- C. The Agency prepared and circulated a Draft Environmental Impact Report (the "Draft EIR") on the Richards Amendment and the Railyards Plan in accordance with the California Environmental Quality Act (Public Resources Code Section 21000 *et seq.*, "CEQA"), the Guidelines for Implementation of the California Environmental Quality Act (14 Cal. Code Regs. Section 15000 *et seq.*, "State CEQA Guidelines"), and environmental procedures adopted by the Agency pursuant thereto, and the Draft EIR was thereafter revised and supplemented to incorporate comments received and responses thereto, and, as so revised and supplemented, a Final Environmental Impact Report (the "Final EIR") was prepared and certified by the Agency.
- D. The Agency and the City Council have reviewed and considered the Final EIR and have determined that, for certain significant effects identified by the Final EIR, mitigation measures and a mitigation monitoring program therefor have been adopted and mitigation measures incorporated into the Railyards Plan to avoid or substantially lessen such effects.
- E. The Agency and the City Council have each adopted a Statement of Overriding Considerations for the remaining significant effects identified by the Final EIR that cannot be mitigated to a level of insignificance.
- F. The City Council and the Agency held a joint public hearing in the City Council Chambers, 915 I Street, Sacramento, California, on April 22, 2008, to consider adoption of the Railyards Plan and the Richards Amendment.
- G. A notice of said hearing was duly and regularly published in the *Daily Recorder*, a newspaper of general circulation in the City of Sacramento, once a week for four successive weeks prior to the date of said hearing, and a copy of said notice and affidavit of publication are on file with the City Clerk.
- H. On March 19, 2008, copies of the notice of joint public hearing and a statement concerning acquisition of property by the Agency were mailed by first-class mail to the last known address of each assessee of each parcel of land in the Railyards Project as shown on the last equalized assessment roll of the County of Sacramento.
- I. On March 19, 2008, copies of the notice of joint public hearing were mailed by first-class mail to all residents and businesses within the Railyards Project.
- J. On March 19, 2008, copies of the notice of joint public hearing were mailed by certified mail with return receipt requested to the governing body of each taxing entity that receives taxes from property in the Railyards Project.
- K. On March 6, 2008, copies of the notice of joint public hearing were mailed by certified mail with return receipt requested to the California Department of Finance and the California Department of Housing and Community Development.
- L. The City Council has considered the Report of the Agency, the Report and Recommendations of the Planning Commission, the Railyards Plan, and the Final EIR, has provided an opportunity for all persons to be heard and has received and considered all evidence and testimony presented for or against any and all aspects of the Railyards Plan.

- M. The City Council has adopted written findings in response to the written objections, if any, received from affected property owners and/or affected taxing entities at or prior to the joint public hearing.
- N. All actions required by law have been taken by all appropriate legal bodies.

SECTION 2.

The City Council declares that the purpose and intent of the City Council with respect to the Railyards Project Area is to accomplish the following: (a) eliminate blighting influences and correct environmental deficiencies in the Railyards 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; (b) strengthen the economic and employment base of the Railyards Project Area and the community by removing impediments to and encouraging new residential and commercial development and other private investment; (c) improve public facilities and infrastructure, including providing adequate access to and within the Railyards 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; (d) implement design and use standards to assure high aesthetic and environmental quality and provide unity and integrity to developments within the Railyards Project Area, preserving historic resources where feasible and promoting public transit access and use; (e) encourage the cooperation and participation of residents, businesses, public agencies and community organizations in the redevelopment and revitalization of the Railyards Project Area; and (f) increase, improve and preserve the community's supply of housing available to extremely low, very low, low and moderate income persons and families.

SECTION 3.

The City Council hereby finds and determines that:

- (a) The Railyards Project Area is a blighted area, the redevelopment of which is necessary to effectuate the public purposes declared in the California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*). This finding is based upon the following facts, as more particularly set forth in the Report of the Agency to the City Council:
 - (1) The Railyards Project Area is predominantly urbanized;
 - (2) The Railyards Project Area is characterized by and suffers from a combination of blighting physical and economic conditions, including, among others: buildings in which it is unsafe or unhealthy for persons to live or work due to serious dilapidation and deterioration, construction that is vulnerable to serious damage from seismic or geologic hazards, and inadequate water and sewer utilities; conditions substantially hindering the viable use or capacity of buildings or lots; depreciated or stagnant property values; impaired property values due in significant part to hazardous wastes; and abnormally high business vacancies, abnormally low lease rates, or an abnormally high number of abandoned buildings; and

- (3) The combination of the conditions referred to in paragraph (2) above is so prevalent and so substantial that it causes a reduction of, or lack of, proper utilization of the Railyards Project Area to such an extent that it constitutes a serious physical and economic burden on the City that cannot reasonably be expected to be reversed or alleviated by private enterprise or governmental action, or both, without redevelopment.
- (b) The Railyards Plan will redevelop the Railyards Project Area in conformity with the Community Redevelopment Law and in the interests of the public peace, health, safety, and welfare. This finding is based upon the fact that redevelopment of the Railyards Project Area will implement the objectives of the Community Redevelopment Law by: aiding in the elimination and correction of the conditions of blight; providing for planning, development, redesign, clearance, reconstruction, or rehabilitation of properties which need improvement; improving, increasing, and preserving the supply of low- and moderate-income housing within the community; providing additional employment opportunities; and providing for higher economic utilization of potentially useful land.
- (c) The adoption and carrying out of the Railyards Plan is economically sound and feasible. This finding is based on the facts, as more particularly set forth in the Report of the Agency to the City Council: that under the Railyards Plan the Agency will be authorized to seek and utilize a variety of potential financing resources, including tax increments; that the nature and timing of public redevelopment assistance will depend on the amount and availability of such financing resources, including tax increments generated by new investment in the Railyards Project Area; and that no public redevelopment activity will be undertaken unless the Agency can demonstrate that it has adequate revenue to finance the activity.
- (d) The Railyards Plan is consistent with the General Plan of the City of Sacramento, including, but not limited to, the housing element, which substantially complies with state housing law. This finding is based upon the finding of the Planning Commission that the Railyards Plan is consistent with the General Plan of the City of Sacramento.
- (e) The carrying out of the Railyards Plan would promote the public peace, health, safety, and welfare of the City of Sacramento and will effectuate the purposes and policy of the Community Redevelopment Law. This finding is based upon the fact that redevelopment, as contemplated by the Railyards Plan, will benefit the Railyards Project Area by correcting conditions of blight and by coordinating public and private actions to stimulate development and improve the physical and economic conditions of the Railyards Project Area.
- (f) The condemnation of real property, as provided for in the Railyards Plan, is necessary to the execution of the Railyards Plan, and adequate provisions have been made for the payment for property to be acquired as provided by law. This finding is based upon: (1) the need to ensure that the provisions of the Railyards Plan will be carried out and to prevent the recurrence of blight; (2) the fact that no property will be acquired unless the Agency can demonstrate that it has adequate revenue for the acquisition; and (3) the fact that the condemnation of real property by the Agency is subject to the requirements of the California Eminent Domain Law (Code of Civil Procedure Section 1230.010 *et seq.*).

- (g) The Agency has a feasible method for the relocation of families and persons who might be displaced, temporarily or permanently, from housing facilities in the Railyards Project Area. This finding is based on the fact that the Railyards Plan provides for relocation assistance according to law, and the fact that there are no existing residential uses within the Railyards Project Area.
- (h) There are, or shall be provided, within the Railyards Project Area or within other areas not generally less desirable with regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the families and persons who might be displaced from the Railyards Project Area, decent, safe and sanitary dwellings equal in number to the number of and available to such displaced families and persons and reasonably accessible to their places of employment. No person or family will be required to move from any dwelling unit until suitable replacement housing is available. Families and persons shall not be displaced prior to the adoption of a relocation plan, and dwelling units housing persons and families of low or moderate income shall not be removed or destroyed prior to the adoption of a replacement housing plan. These findings are based on the fact that the Railyards Plan provides for relocation assistance according to law, and the fact that there are no existing residential uses within the Railyards Project Area.
- (i) There are no noncontiguous areas of the Railyards Project Area.
- (j) Inclusion of any lands, buildings, or improvements in the Railyards Project Area that are not detrimental to the public health, safety, or welfare is necessary for the effective redevelopment of the entire area of which they are a part; and any area included is necessary for effective redevelopment and is not included for the purpose of obtaining the allocation of tax increment revenues from such area pursuant to Section 33670 of the Community Redevelopment Law without other substantial justification for its inclusion. This finding is based upon the fact that the boundaries of the Railyards Project Area were chosen as a unified and consistent whole to include a geographically defined and identified area of the City in which all properties are contributing to or affected by the blighting conditions characterizing the Railyards Project Area.
- (k) The elimination of blight and the redevelopment of the Railyards Project Area could not reasonably be expected to be accomplished by private enterprise acting alone without the aid and assistance of the Agency. This finding is based upon the facts, as more particularly set forth in the Report of the Agency to the City Council, that the Railyards Project Area suffers from particularly serious obstacles to redevelopment, including an almost complete lack of infrastructure, severe environmental contamination, the need to realign the levee system, historic preservation issues and issues related to the realignment of mainline railroad tracks. The substantial costs of redevelopment cannot be borne solely by private owners and developers, and the funds of other potentially available public sources and programs have been or are insufficient to eliminate the blighting conditions.
- (l) The Railyards Project Area is a predominantly urbanized area as defined by subdivision (b) of Section 33320.1 of the Community Redevelopment Law. This finding is based upon the facts, as more particularly set forth in the Report of the Agency to the City Council, that 100% of the properties within the Railyards Project

Area have been or are developed for urban uses.

- (m) The time limitations in the Railyards Plan, which are the maximum time limitations authorized under the Community Redevelopment Law, are reasonably related to the proposed projects to be implemented in the Railyards Project Area and the ability of the Agency to eliminate blight within the Railyards Project Area. This finding is based upon the facts that redevelopment depends, in large part, upon private market forces beyond the control of the Agency and shorter time limitations would impair the Agency's ability to be flexible and respond to market conditions as and when appropriate and would impair the Agency's ability to maintain development standards and controls over a period of time sufficient to assure area stabilization. In addition, shorter time limitations would limit the revenue sources and financing capacity necessary to carry out proposed projects in the Railyards Project Area.
- (n) The implementation of the Railyards Plan will improve or alleviate the physical and economic conditions of blight in the Railyards Project Area, as described in the Report of the Agency to the City Council. This finding is based upon the facts, as more particularly set forth in the Report of the Agency to the City Council, that redevelopment is expected to result in the provision of new residential and commercial facilities meeting modern health and safety standards, the improvement of public facilities and infrastructure meeting modern health and safety standards, and a strengthening of the economic and employment base of the Railyards Project Area, providing additional employment opportunities and a higher economic utilization of potentially useful land.

SECTION 4.

The City Council is satisfied that permanent housing facilities will be available within three years from the time occupants of the Railyards Project Area are displaced, if any, and that pending the development of the facilities, there will be available to the displaced occupants, if any, adequate temporary housing facilities at rents comparable to those in the City of Sacramento at the time of their displacement. No persons or families of low or moderate income shall be displaced from residences unless and until there is a suitable housing unit available and ready for occupancy by such displaced persons or families at rents comparable to those at the time of their displacement. Such housing units shall be suitable to the needs of such displaced persons or families and must be decent, safe, sanitary and otherwise standard dwellings.

SECTION 5.

In order to implement and facilitate the effectuation of the Railyards Plan, certain official actions must be taken by the City Council; accordingly, the City Council hereby: (a) pledges its cooperation in helping to carry out the Railyards Plan; (b) directs the various officials, departments, boards, and agencies of the City of Sacramento having administrative responsibilities in the Railyards Project Area likewise to cooperate to such end and to exercise their respective functions and powers in a manner consistent with the Railyards Plan; (c) stands ready to consider and take appropriate action on proposals and measures designed to effectuate the Railyards Plan; and (d) declares its intention to undertake and complete any proceeding, including the expenditure of moneys, necessary to be carried out by the City under the provisions of the Railyards Plan.

SECTION 6.

The City Council is satisfied that written findings have been adopted in response to the written objections, if any, received at or before the noticed public hearing from affected property owners and/or affected taxing entities. Having considered all evidence and testimony presented for or against any and all aspects of the Railyards Plan, the City Council hereby overrules all written and oral objections to the Railyards Plan.

SECTION 7.

The mitigation measures, as identified in Council Resolution No. 2008-267, adopted on May 6, 2008, and Agency Resolution No. 2008-025, adopted on May 6, 2008, are incorporated and made part of the proposed Railyards Plan.

SECTION 8.

That certain document entitled "Redevelopment Plan for the Railyards Redevelopment Project," a copy of which is on file in the office of the City Clerk and attached hereto, is hereby incorporated herein by this reference and designated as the official "Redevelopment Plan for the Railyards Redevelopment Project."

SECTION 9.

The City of Sacramento Building Department is hereby directed for a period of at least two (2) years after the effective date of this Ordinance to advise all applicants for building permits within the Railyards Project Area that the site for which a building permit is sought for construction of buildings or for other improvements is within a redevelopment project area.

SECTION 10.

The City Clerk is hereby directed to send a certified copy of this Ordinance to the Agency, and the Agency is hereby vested with the responsibility for carrying out the Railyards Plan.

SECTION 11.

Pursuant to Section 33373 of the Community Redevelopment Law, within sixty (60) days following the adoption of this Ordinance, the City Clerk is hereby directed to record with the County Recorder of the County of Sacramento a notice of the approval and adoption of the Railyards Plan pursuant to this Ordinance, containing a description of the land within the Railyards Project Area, a statement that proceedings for the redevelopment of the Railyards Project Area have been instituted under the Community Redevelopment Law, particularly stating that the Agency is authorized to acquire property by eminent domain.

SECTION 12.

The City Clerk is hereby directed to transmit a copy of the description and statement recorded pursuant to Section 11 of this Ordinance, a copy of this Ordinance, and a map or plat indicating the boundaries of the Railyards Project Area, to the auditor and assessor of the County of Sacramento, to the governing body of each of the taxing entities which receives taxes from property in the Railyards Project Area, and to the State Board of Equalization within thirty (30) days following adoption of this Ordinance.

SECTION 13.

If any part of this Ordinance or the Railyards Plan which it approves is held to be invalid for any reason, such decision shall not affect the validity of the remaining portion of this Ordinance or of the Railyards Plan, and this City Council hereby declares that it would have passed the remainder of this Ordinance or approved the remainder of the Railyards Plan if such invalid portion thereof had been deleted.

SECTION 14.

This Ordinance shall be in full force and effect ninety (90) days after its adoption; provided, however, that this Ordinance is contingent upon and shall not take effect unless and until an Ordinance approving and adopting the Richards Amendment has become effective; and provided, further, that if the Ordinance approving and adopting the Richards Amendment is determined to be invalid for any reason, this Ordinance shall be automatically repealed as of the date of its adoption. It is the intent of this section that this Ordinance and the resulting adoption of the Railyards Plan shall be of no force and effect unless the Ordinance approving and adopting the Richards Amendment is in full force and effect without the possibility of being invalidated.

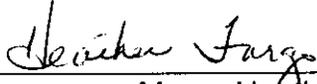
Adopted by the City of Sacramento City Council on May 13, 2008 by the following vote:

Ayes: Councilmembers Cohn, Fong, McCarty, Pannell, Sheedy, Tretheway, Waters, and Mayor Fargo.

Noes: None.

Abstain: None.

Absent: Councilmember Hammond.



Mayor Heather Fargo

Attest:



Shirley Concolino, City Clerk

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