

Item No. 23

“To Be Delivered” Material

For

City of Sacramento

City Council

Financing Authority

Housing Authority

Redevelopment Agency

Agenda Packet

For the Meeting of: March 31, 2009

The attached materials were not available at the time the Agenda Packet was prepared.

Title: Additional City Proposition 1C Applications

Contact Information: Marty Hanneman, Assistant City Manager, (916) 808-7508 and Patti Bisharat, Director of Government Affairs, (916) 808-8197, Office of the City Manager

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REPORT TO COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2604
www.CityofSacramento.org

Consent
March 31, 2008

**Honorable Mayor and
Members of the City Council**

Title: Additional City Proposition 1C Applications

Location/Council District: Citywide

Recommendation: Approve a 1) **Resolution:** authorizing the City Manager to submit applications to the State on behalf of the Curtis Park Village development and the Capitol Lofts project for round 2 of the Proposition 1C TOD Housing Program.

Contact: Marty Hanneman, Assistant City Manager, 808-7508 and Patti Bisharat, Director of Government Affairs, 808-8197

Presenters: Marty Hanneman

Department: City Manager's Office

Division: Government Affairs

Organization No: 02001021

Description/Analysis

Issue: On March 10, 2009, Council approved Resolutions 2009-146 and 2009-147 authorizing the City to apply on behalf of the Railyards and the Crystal Ice Blocks project to the Proposition 1C Transit Oriented Development (TOD) Housing Program and to apply on behalf of Township 9 for the Prop. 1C Infill Infrastructure Grant Program. For the TOD Housing Program, staff noted that Regional Transit would be applying for several other projects in the Sacramento such as the Station 65, La Valentina, and the Curtis Park Village projects. The Council expressed its desire for staff to return to Council if there were any other projects in the city that did not have an eligible applicant or where there were difficulties with an application from Regional Transit.

Based on Council's prior direction, staff is returning to City Council to recommend, that in addition to the Railyards and the Crystal Ice Blocks project, the City also apply on behalf of Curtis Park Village and the Capitol Lofts projects to the Prop. 1C TOD Housing Program. The TOD Housing Grant Program requires that a jurisdiction or transit agency be the applicant if the project is seeking an infrastructure grant.

The Capitol Lofts projects (also known as the CADA Warehouse project) currently does not have a project sponsor and needs the City to apply on its behalf in order to be eligible for funding under the Prop. 1C TOD Housing Program. Capitol Lofts, which is located on the R Street Corridor, is a transit oriented mixed-use development that consists of 122 housing units of which 37 percent will be affordable to households with extremely low-income (less than 30% Area Median Income). In addition, the project will also include ground floor retail and is located near the 13th Street light rail station. The project is consistent with the new 2030 General Plan as well as the vision for the R Street Corridor.

The Curtis Park Village project also needs the City to apply on its behalf. Due to specific requirements in the Prop. 1C TOD Housing Program guidelines, the City is better suited to be the applicant for this project in this case rather than Regional Transit. Curtis Park Village is located on a 72-acre site adjacent to two light rail stations (City College and Wayne Hulgren Stations) and includes multi-family housing, affordable senior housing, single-family housing, retail/commercial uses, and entertainment venues in project densities that are supportive of transit.

Policy Considerations: This recommendation is consistent with Council direction on March 10, 2009 and it is also consistent with the City's Smart Growth Principles, the 2002 Infill Strategy and the Vision and Guiding Principles for the new 2030 General Plan.

Committee/Commission Action: None.

Environmental Considerations: Not a project under Section 21065 of CEQA and CEQA Guidelines Section 15378 (b)(4).

Sustainability Considerations: Both the Curtis Park Village and Capitol Lofts (CADA Warehouse) projects provide housing near jobs and light rail, which is expected to reduce vehicle use and thus greenhouse gas emissions.

Rationale for Recommendation: Capitol Lofts and Curtis Park Village are significant infill and transit-oriented development projects which are expected to promote increased transit ridership in Sacramento. Both projects meet the criteria of the Prop. 1C TOD Housing Grant Program. State funding is critical to both these projects to address infrastructure needs and promote infill development in those areas. The City will be applying on behalf of Capitol Lofts for approximately \$4.8 million and on behalf of Curtis Park Village for approximately \$9.1 million in funding from the TOD Housing Program. The TOD Housing Grant Program requires that a jurisdiction or transit agency be the applicant if the project is seeking an infrastructure grant.

Financial Considerations: The Prop. 1C TOD Housing Program provides critical funding for infrastructure projects associated with housing development. The program is designed to support transit oriented development. No City funds other than those already committed to these projects are involved in this recommendation.

Emerging Small Business Development (ESBD): No goods or services are being purchased under this report.

Respectfully Submitted by: 
Patti Bisharat
Director of Governmental Affairs

Recommendation Approved:

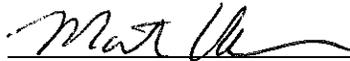

Ray Kerridge
City Manager

Table of Contents:

Report Pg 1

Attachments

1 Resolution Pg 4

ATTACHMENT 1

RESOLUTION NO.

Adopted by the Sacramento City Council

March 10, 2008

**AUTHORIZING THE CITY MANAGER TO
APPLY TO THE PROPOSITION 1C TOD
HOUSING PROGRAM ON BEHALF OF THE
CURTIS PARK VILLAGE DEVELOPMENT
AND THE CAPITOL LOFTS PROJECT**

BACKGROUND

- A. The Curtis Park Railyards site has been an undeveloped, blighted brownfield site in the Curtis Park neighborhood.
- B. The Curtis Park Village development would transform this 72-acre site into a vibrant transit-oriented destination.
- C. Curtis Park Village, which is located adjacent to two light rail stations, includes multi-family housing, affordable senior housing, single-family housing, retail/commercial uses, and entertainment venues in project densities that are supportive of transit.
- D. Capitol Lofts, also known as the CADA Warehouse project, is located on the R Street Corridor near the 13th Street light rail station.
- E. Capitol Lofts will provide affordable and market-rate housing as well as retail adjacent to light rail and jobs in the Downtown and Midtown area of Sacramento.
- F. Both projects have significant infrastructure needs that would benefit from the use of additional funding sources such as State bond funds.
- G. Curtis Park Village and Capitol Lofts are both strong candidates for the Proposition 1C Transit Oriented Development Housing Program.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:**

- Section 1. That the City Manager shall work with Petrovich Development Company to submit an application from the City on behalf of Curtis Park Village to the State Department of Housing and Community Development for funding from the TOD Housing Program.
- Section 2. That the City Manager shall work with Holliday Development and the Capitol Area Development Authority (CADA) to submit an application from

the City on behalf of the Capitol Lofts project to the State Department of Housing and Community Development for funding from the TOD Housing Program.