



**Sacramento
Housing &
Redevelopment
Agency**

**REPORT TO COUNCIL AND
REDEVELOPMENT AGENCY
City of Sacramento**

915 I Street, Sacramento, CA 95814-2671
www.CityofSacramento.org

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Consent
June 16, 2009

Honorable Mayor and Members of the Council
Honorable Chair and Members of the Redevelopment Agency

Title: Allocation of Redevelopment Funds to the Franklin Boulevard Streetscape, Commercial Revitalization Program and Fruitridge Road Development Concepts Project

Location/Council District: Franklin Boulevard Redevelopment Area, Council District 5

Recommendation: Adopt a **Redevelopment Agency Resolution** authorizing the Executive Director or her designee to: 1) amend the Agency budget to transfer: a) \$1,050,000 for Franklin Boulevard Streetscape Phase III Design Improvements (County); b) \$300,000 for the Commercial Revitalization program with Franklin Boulevard tax increment funds; and c) \$35,000 for 3331 Fruitridge Road development concepts; 2) execute an agreement with the County of Sacramento for Franklin Blvd. Streetscape Improvements Phase III in the amount not to exceed \$1,050,000; 3) execute an agreement with consultant KTG Y not to exceed \$35,000 to prepare development concepts for 3331 Fruitridge Road, and 4) approve findings and environmental actions. Adopt a **City Council Resolution** approving California Redevelopment Law 33445 findings.

Contact: Chris Pahule, Assistant Director, Housing and Community Development, 440-1350; Lisa Bates, Deputy Executive Director, 440-1316

Presenters: None.

Department: Sacramento Housing and Redevelopment Agency

Description/Analysis

Issue: With the limited redevelopment funds available in the Franklin Boulevard redevelopment area, staff evaluated various projects and opportunities in the project area. This report recommends investing resources to position public improvement projects for future funding, augment an existing program that allows

Allocation of Franklin Boulevard Redevelopment Area Tax Increment Funds for Various Redevelopment Projects

property owners to improve their facades, and to undertake planning activities at a challenging, hard-to-market site. The three initiatives under consideration for funding continue to meet the goals of the Franklin Boulevard Implementation Plan.

Policy Considerations: The recommended actions are consistent with California Community Redevelopment Law, the adopted Franklin Boulevard Redevelopment Plan, and the Agency Strategic Plan. By eliminating blight and barriers to redevelopment and economic growth, the proposed action is consistent with the 2005-2009 Five-Year Implementation Plan and Urban Design Master Plan for the Franklin Boulevard Redevelopment Project Area.

Environmental Considerations:

California Environmental Quality Act (CEQA): The proposed actions for the Franklin Boulevard Streetscape Improvements and 3331 Fruitridge Road are planning activities. As such, both are exempt from environmental review at this time pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15262. The proposed action for the Commercial Revitalization Program (CRP) does not constitute a project subject to environmental review under CEQA per Guidelines Sections 15378 (b) (4), which exempts government financing mechanisms that do not involve a commitment to any specific project for environmental review. The exterior rebate projects that are eligible for funding under the CRP are generally exempt from environmental review as rehabilitation of existing structures under CEQA Guidelines Sections 15301 (d) and (e).

Sustainability Considerations: The projects have been reviewed for consistency with the goals, policies and targets of the sustainability Master Plan and the 2030 General Plan. If approved, the contents of this report will advance the following goals, policies and targets as follows:

These projects will 1) establish and continuously improve “green” building standards for both residential and commercial development – new and remodeled, 2) reduce long commutes by providing a wide array of transportation and housing choices near jobs for a balanced, healthy City, and 3) create “Healthy Urban Environments” through Restorative Redevelopment.

Other: The National Environmental Policy Act (NEPA) does not apply.

Committee/Commission Action: The North Franklin District Business Association will be presented with information on all projects listed in the staff report at its meeting on June 9, 2009. The Board is expected to support the projects.

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Sacramento Housing and Redevelopment Commission: At its meeting on June 3, 2009, the Sacramento Housing and Redevelopment Commission considered the staff recommendation for this item. The votes were as follows:

AYE: Burruss, Chan, Fowler, Gore, Morgan, Otto, Shah, Stivers

NOES: None

ABSENT: Dean

Rationale for Recommendation: This report recommends funding for three critical projects and programs that meet redevelopment and Implementation Plan goals to stimulate economic growth, eliminate blight, make long-term investments and reduce environmental deficiencies on Franklin Boulevard.

In 2008, two Franklin Boulevard streetscape projects were completed, one in the City and another in the County. Currently, the Agency recommends an allocation of \$1.05 million to complete existing streetscape improvement needs with the design of improvements starting at the County line on Franklin Boulevard (near 41st Avenue) and continuing south to 47th Avenue (see Attachment 3 – Location Map).

Proposed improvements totaling \$7 million dollars include bifurcated and landscaped sidewalks, landscaped medians, improved lighting, and a gateway monument to identify the boulevard. The allocation requested in this report will fund design, needed right-of-way acquisition and environmental review.

In addition, the existing Commercial Revitalization program on Franklin Boulevard needs an additional infusion of tax increment funds. The program needs an additional \$300,000 to assist six property owners to improve their facades.

Given the challenging economic times, the Agency is also looking to re-position/evaluate key sites on Franklin Boulevard to strategically improve the marketability of challenged redevelopment sites. Such a site is located at 3331 Fruitridge Road which is located behind the freeway. The site is currently vacant and being marketed for auto storage use. The Agency seeks to determine a better vision for the area and the site through strategic planning and possible site re-configuration. The proposed budget for development of this vision is \$35,000. (See Attachment 3 – Location Map).

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Financial Considerations: This report recommends the allocation of \$1,385,000 from Franklin Boulevard Tax Increment funds for the projects and programs highlighted in this staff report.

M/WBE Considerations: The items discussed in this report have no M/WBE impact; therefore, M/WBE considerations do not apply.

Respectfully Submitted by: 
LA SHELLE DOZIER
Executive Director

Recommendation Approved:

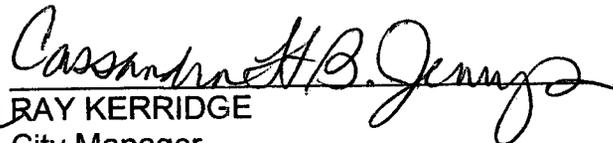

RAY KERRIDGE
City Manager

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Allocation of Franklin Boulevard Redevelopment Area Tax Increment Funds for Various Redevelopment Projects

RESOLUTION NO. 2009 -

Adopted by the Sacramento City Council

on date of

ALLOCATION OF FRANKLIN BOULEVARD REDEVELOPMENT TAX INCREMENT FUNDS FOR FRANKLIN BOULEVARD REDEVELOPMENT PROJECTS – FRANKLIN BOULEVARD STREETScape IMPROVEMENTS PHASE III (\$1.05 MILLION), FRANKLIN BOULEVARD COMMERCIAL REVITALIZATION PROGRAM (\$300,000) AND 3331/3351 FRUITRIDGE ROAD DEVELOPMENT CONCEPTS (\$35,000)

BACKGROUND

- A. Franklin Boulevard, which is a joint City and County redevelopment area, continues to undergo infrastructure, commercial corridor and development improvements.
- B. The City and County and Redevelopment Agencies of the City and County adopted the Franklin Boulevard 2005-2009 Five Year Implementation Plan and the 2001 Urban Design Master Plan to guide development on the Boulevard.
- C. The Franklin Boulevard Urban Design Master Plan focuses on improving the County streetscape on Franklin Boulevard between 47th Avenue, north to the County limit. Proposed improvements include continuous and bifurcated sidewalks with landscaping, bike lanes, and raised center medians with landscape, among other improvements.
- D. The 2005-2009 Implementation Plan identifies the Commercial Revitalization Program as an incentive rebates program to property owners to make interior and exterior improvements to their property on Franklin Boulevard.
- E. The 2005-2009 Implementation Plan identifies a Development Assistance program to encourage developers to locate and build new structures that will support economic development on Franklin Boulevard.

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

- Section 1. All evidence presented having been duly considered, the findings, as stated in the background, are approved.
- Section 2. In accordance with California Redevelopment Law Section 33445, the City further finds and determines that:

Allocation of Franklin Boulevard Redevelopment Area Tax Increment Funds for Various Redevelopment Projects

- (a) The Projects will benefit the project area by decreasing blight through construction of exterior improvements to businesses that serve the commercial corridor in the City and the County, and by providing development assistance for an opportunity site in the redevelopment area that will increase the value of an underutilized property.
- (b) No other reasonable means of financing these projects is available to the community.
- (c) The payment of the cost of these projects; Franklin Boulevard Streetscape Improvements Phase III (\$1,050,000), Franklin Boulevard Commercial Revitalization Program (\$300,000) and 3331/3351 Fruitridge Road Development Concepts (\$35,000) is consistent with the project area implementation plan and will assist in eliminating blighting conditions in the redevelopment area.

Allocation of Franklin Boulevard Redevelopment Area Tax Increment Funds for Various Redevelopment Projects

RESOLUTION NO. 2009 -

Adopted by the Redevelopment Agency of the City of Sacramento

on date of

ALLOCATION OF FRANKLIN BOULEVARD REDEVELOPMENT TAX INCREMENT FUNDS FOR FRANKLIN BOULEVARD REDEVELOPMENT PROJECTS – FRANKLIN BOULEVARD STREETScape IMPROVEMENTS PHASE III (\$1.05 MILLION), FRANKLIN BOULEVARD COMMERCIAL REVITALIZATION PROGRAM (\$300,000) AND 3331/3351 FRUITRIDGE ROAD DEVELOPMENT CONCEPTS (\$35,000)

BACKGROUND

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- C. The Franklin Boulevard Urban Design Master Plan focuses on improving the County streetscape on Franklin Boulevard between 47th Avenue, north to the County limit. Proposed improvements include continuous and bifurcated sidewalks with landscaping, bike lanes, and raised center medians with landscape, among other improvements.
- D. The 2005-2009 Implementation Plan identifies the Commercial Revitalization Program as an incentive rebates program to property owners to make interior and exterior improvements to their property on Franklin Boulevard.
- E. The 2005-2009 Implementation Plan identifies a Development Assistance program to encourage developers to locate and build new structures that will support economic development on Franklin Boulevard.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE REDEVELOPMENT AGENCY RESOLVES AS FOLLOWS:

- Section 1. All evidence presented having been duly considered, the findings are approved.
- Section 2. In accordance with California Redevelopment Law Section 33445, the Agency further finds and determines that:

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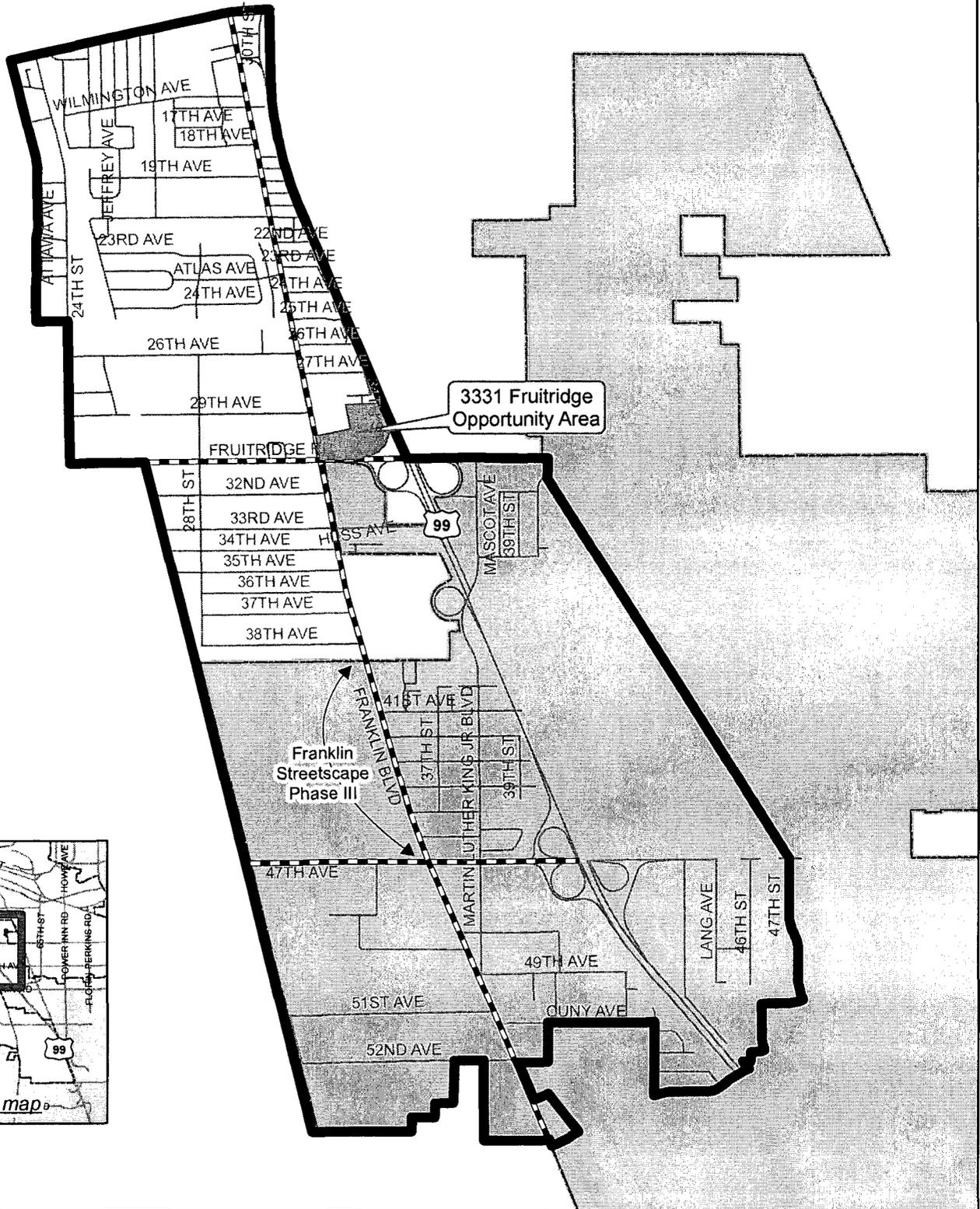
- (d) The Projects will benefit the project area by improving inadequate infrastructure through construction of streetscape improvements in the County, decreasing blight through construction of exterior improvements to businesses that serve the commercial corridor in the City and the County, and by providing development assistance for an opportunity site in the redevelopment area that will increase the value of an underutilized property.
- (e) No other reasonable means of financing these projects is available to the community.
- (f) The payment of the cost of these projects; Franklin Boulevard Streetscape Improvements Phase III (\$1,050,000), Franklin Boulevard Commercial Revitalization Program (\$300,000) and 3331/3351 Fruitridge Road Development Concepts (\$35,000) is consistent with the project area implementation plan and will assist in eliminating blighting conditions in the redevelopment area.

Section 3. The Executive Director, or her designee, is authorized to amend the Agency budget to allocate Franklin Boulevard Tax Increment funds as follows: 1) \$1,050,000 to Franklin Boulevard Streetscape Improvements Phase III; 2) \$300,000 to the Franklin Boulevard Commercial Revitalization Program; and 3) \$35,000 to the 3331/3351 Fruitridge Road Development Concepts project.

Section 4. The Executive Director, or her designee, is authorized to execute a Memorandum of Agreement (MOA) to begin the streetscape improvements in the County, and an Agency contract with a consultant to provide the development concepts for 3331/3351 Fruitridge Road in the City.

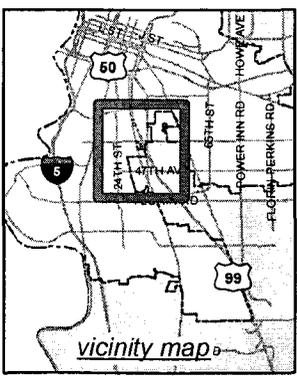


Franklin Boulevard Redevelopment Projects



3331 Fruitridge Opportunity Area

Franklin Streetscape Phase III



vicinity map

- Franklin Boulevard Redevelopment Area Boundary
- 3331 Fruitridge Opportunity Area
- Franklin CRP Boundary
- Sacramento County
- City of Sacramento

0 1,000 2,000 Feet



SHRA GIS
May 18, 2009