Sacramento Housing & Redevelopment Agency

REPORT TO City Council and to Redevelopment Agency of the City of Sacramento
915 I Street, Sacramento, CA 95814-2671
www.CityofSacramento.org

STAFF REPORT
October 24, 2006

Honorable Mayor and Members of the City Council
Honorable Chair and Members of the Board

Title: Station Block Development Strategy and the 65th Street Circulation Plan Study

Location/Council District: 65th Street Redevelopment Area (Council Districts 3 and 6)

Recommendation:
1.) City Council adopt a **City Resolution** to: accept the 65th Street Station Block Development Strategy report; and amend FY 2006-2007 Capital Improvement Program (CIP) budget by appropriating $114,700 in tax increment funds to the 65th Street Circulation Plan Study (Study).

2.) Redevelopment Agency adopt an **Agency Resolution** to: allocate $114,700 of 65th Street Tax Increment funds to the Study; and authorize an Individual Project Agreement (IPA) with the City of Sacramento for $114,700 to carry out the Study.

Contact: Chris Pahule, Assistant Director, Community Development, 440-1350; Celia Yniguez, Program Manager, 440-1399 x 1401

Presenters: Chris Pahule, Assistant Director, Community Development
Chris Zahas, Principal, Leland Associates, Portland, Oregon

Department: Sacramento Housing and Redevelopment Agency

Description/Analysis:

Issue: The 65th Street/University Transit Village Plan (Plan), adopted by Council in 2002, identified a key group of land parcels termed the "Station Block" near the 65th Street Light Rail Station as the catalyst site for transit-oriented development. Due to this site's significance in the Plan and prominence in future redevelopment efforts, the Redevelopment Agency (Agency) commissioned a study in 2005 to explore potential development options and identify specific public actions to facilitate redevelopment. The 65th Street Station Block Development Strategy (Strategy) was developed by Leland Consulting Group, Fletcher Farr Ayotte Architects and Nelson\Nygaard Consulting Associates.

The Strategy's focus was to examine and recommend approaches the public sector could use to facilitate redevelopment of the Station Block, which is almost completely owned by private interests. A major finding was that in order to achieve the stated objectives of the Plan, the City must reevaluate certain planned transportation projects, some of which were mitigations to the Plan's environmental document, and some which pre-date the Plan. The consultant team recommended restudy of these mitigations which, if implemented, would significantly impede the ability to achieve the urban design objectives required for the desired transit village to thrive. This analysis informed staff recommendations to Council, which approved Resolution 2005-902 to authorize submission of a grant application to the Sacramento Area Council of Governments (SACOG) for an amendment to the Plan's circulation component and Environmental Impact Report. The competitive review process resulted in approval by the SACOG board on March 16, 2006 of the $885,000 grant requested for this purpose.

A match of $114,700 in local funding is required to receive the SACOG grant funding. The City does not have funding available, therefore staff requests allocation of 65th Street tax increment as funding source for the local match.

Committee/Commission Action: *65th Street Redevelopment Advisory Committee (RAC):* At its January 5, 2006, meeting, the RAC voted to allocate $114,700 of tax increment as the source for the requisite local match. The votes were as follows:

AYES: Billingsley, Clady, Jones, Little, Lopez, Maleske, O'Mara, Rasmussen, Sikich, Shafer, Stack, Wilson
NOES: None
ABSENT: Altier, Jaiyeoba

Sacramento Housing and Redevelopment Commission Action: At its meeting on September 20, 2006, the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolutions. The votes were as follows:

AYES: Burns, Burruss, Coriano, Fowler, Gore, Hoag, Piatkowski, Simon, Stivers

NOES: None

ABSENT: Shah

Policy Considerations: The actions contained in this report are consistent with the adopted 2004 – 2008 Redevelopment Implementation Plan for the 65th Street Redevelopment Project Area. The actions, insomuch as they further development opportunities near transit stations, are also consistent with the objectives of Sacramento Regional Transit District's "Transit for Livable Communities (TLC)" land use planning report, accepted by Council in October 2002.

Environmental Considerations: The proposed action to fund a planning study to identify possible future infrastructure projects is exempt from environmental review per CEQA Guidelines Section 15262. The scope of work for Study includes preparing a supplemental environmental analysis of the impacts of modifying the 65th Street/Transit Village Plan circulation improvements and traffic mitigation measures.

Rationale for Recommendation: The Strategy provides the transportation planning rationale for allocation of $114,700 in 65th Street Tax Increment funds as local funding match for the approved SACOG funds for completion of the proposed Study. The Study will evaluate and make recommendations for transportation and utility infrastructure improvements that will benefit the redevelopment area and adjacent neighborhoods by removing factors which impede desired redevelopment of underutilized properties within the project area. The use of tax increment funds to assist the Study will help eliminate blighting conditions in the project area including inadequate, outmoded transportation and utility infrastructure that prevents the development of the densities and mix of land uses included in the implementation plan. Further, there are no other reasonable means of financing the Study available to the community.

Financial Considerations: The requested $114,700 of 65th Street Tax Increment Development Assistance funds represent the minimum local match required for SACOG to release its $885,000 grant. This combination of funds will be sufficient to complete the Study.

M/WBE Considerations: Minority and Women's Business Enterprise requirements will be applied to all activities to the extent required by federal funding.

Emerging Small Business Development (ESBD): The funding to be received from the Agency will allow the City of Sacramento to implement the planned circulation study using competitively selected professional services. In its advertisement and selection of the appropriate service provider(s), the City will follow and comply with its Emerging Small Business Development procurement policies.

Respectfully Submitted by: _____
ANNE M. MOORE
Executive Director

Recommendation Approved:

Cassandra H.B. Jennings
for RAY KERRIDGE
City Manager

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Background
Station Block Development Strategy and the 65th Street Circulation Plan Study

The area immediately surrounding the 65th Street/University light rail station has been the focus of land use and transportation-planning efforts to maximize its potential for growth that builds upon its existing strengths and its proximity to light rail. An initial effort was the City of Sacramento's Transit Village Plan (Plan), adopted by Council in 2002. The Plan envisions the area adjacent to the intersection of 65th Street and Folsom Boulevard near Sacramento State University as a neighborhood/university mixed-use district that would provide a lively mix of housing types, retail opportunities and employment uses (study area shown in Attachment 2). The Plan attempts to take advantage of the 65th/University light rail stop as a means to increase pedestrian activity in the area. The Plan also places importance on 65th Street becoming a pedestrian-scale "Main Street" that would connect the university campus with the adjacent community. The Plan provided a planning framework to guide a transition from an auto-oriented commercial/industrial area into the envisioned transit-oriented mixed-use area.

At the same time, The Sacramento Regional Transit District (RT) sponsored Transit for Livable Communities (TLC), a land use planning effort to devise recommendations to encourage transit-friendly developments around twenty light rail stations, including the 65th Street/University light rail stop. The TLC report was approved by the RT board of directors in August 2002, and accepted by the Sacramento City Council in October 2002.

Subsequently, a study was made of an area around the 65th/University light rail station exceeding 650 acres in size to determine if the area satisfied blight criteria necessary to allow adoption of a redevelopment project area. The analysis confirmed that, among other criteria, antiquated utility and transportation infrastructure, along with underutilized and outmoded land uses, offered sufficient justification for adoption of the 65th Street Redevelopment Area in June 2004 (ordinance number 2004-032).

The Plan, TLC and the redevelopment study area analysis all identified a key group of land parcels termed the "Station Block" near the 65th Street Light Rail Station as a catalyst site for transit-oriented development. Due to this site's significance in the Plan and prominence in future redevelopment efforts, the Redevelopment Agency (Agency) commissioned a study in 2005 to explore potential development options and identify specific public actions to facilitate redevelopment. The 65th Street Station Block Development Strategy (Strategy) was developed by Leland Consulting Group, Fletcher Farr Ayotte Architects and Nelson\Nygaard Consulting Associates.

The consultant team's scope of work was to examine existing conditions, constraints on development and opportunities to redevelop the 13.5 acre Station Block in a manner that would be consistent with the Plan, TLC and the Redevelopment Plan. The team's charge was to recommend a strategic approach to redevelopment that would take these factors into account.

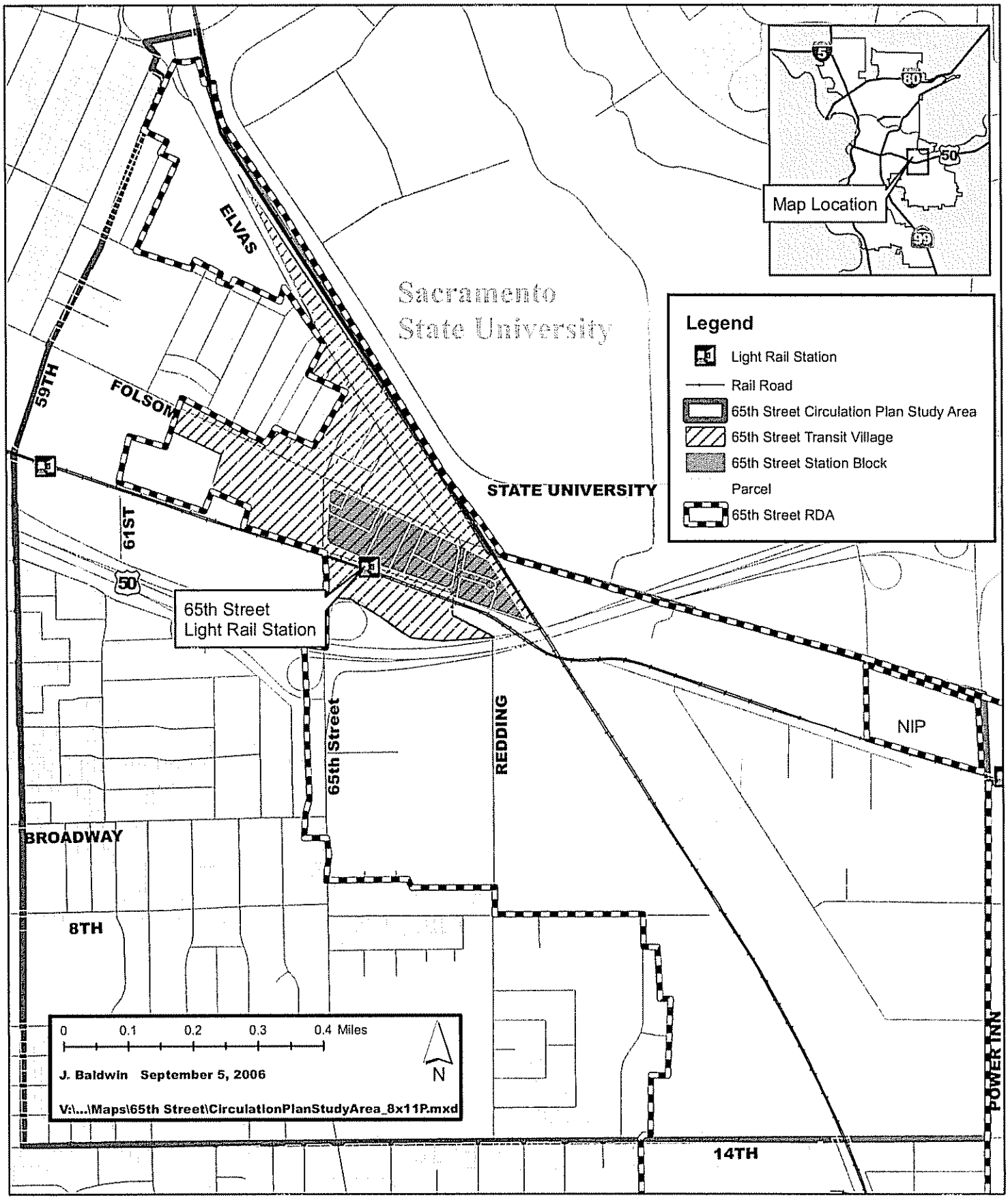
A major finding was that in order to achieve the stated objectives of the Plan, the City needed to reevaluate certain planned transportation projects, some of which were mitigations to the Plan's environmental document, and some which pre-date the Plan. The consultant team concluded that certain mitigations, if implemented, would significantly impede the ability to achieve the urban design objectives required for the desired transit village to thrive.

This finding informed staff recommendations to the City Council for projects to submit to the Sacramento Area Council of Governments (SACOG) which, in September 2005, advertised available grant funding for its 2005 – 2007 Community Design Funding Program.

As a result, the Council approved Resolution 2005-902 to authorize submission of a grant application to SACOG for an amendment to the Plan's circulation component and Environmental Impact Report. The competitive review process resulted in approval by the SACOG board on March 16, 2006 of the $885,000 grant requested for this purpose.

Sacramento Housing & Redevelopment Agency

65th Street Circulation Plan Study Area, Transit Village Plan, Redevelopment Area and Station Block Location



RESOLUTION NO. 2006 -

Adopted by the Sacramento City Council

ACCEPTING THE 65TH STREET STATION BLOCK DEVELOPMENT STRATEGY REPORT; FINDING THAT ALTERNATIVE SOURCES OF FUNDING ARE NOT AVAILABLE FOR MATCH REQUIREMENT TO RECEIVE GRANT FUNDS FOR 65TH STREET CIRCULATION PLAN STUDY; AUTHORIZATION TO ENTER INTO INDIVIDUAL PROJECT AGREEMENT WITH REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO; APPROVAL OF AMENDMENT OF BUDGET FOR CAPITAL IMPROVEMENT PROJECT NUMBER TH16

BACKGROUND

A. The environmental document approved for the 65th Street/University Transit Village Plan (Plan), adopted by the Council in 2002, included a series of transportation mitigations that may be incompatible with the urban design, density and use mix objectives of the Plan.

B. In 2004, the Council authorized adoption of the 65th Street Redevelopment Project Area and redevelopment plan.

C. In 2005, The Sacramento Housing and Redevelopment Agency (Agency) engaged a consultant team to prepare a real estate development strategy (Strategy) for a group of properties commonly referred to as the 65th Street Station Block.

D. The consultant team has recommended that the incompatible transportation mitigations be re-examined and alternatives be designed that are in keeping with the Plan and the purposes of the redevelopment area.

E. In December 2005, the Council authorized submission of a grant application to the Sacramento Area Council of Governments (SACOG) that would assist in funding an effort to reexamine the circulation needs of the Plan area (Study).

F. In March 2006, SACOG awarded $885,000 to fund the Study contingent upon a minimum local commitment of funds totaling $114,700.

G. In July 2006, Council directed staff to prepare a supplemental environmental impact report to evaluate the potential environmental impacts of rescheduling implementation of certain mitigation measures applicable to the Plan area relating to traffic circulation.

H. The consultant team has delivered and presented its final report on the Strategy, attached as Exhibit A to this resolution.

I. The Council has designated the Study that will be funded by SACOG as Capital Improvement Project number TH16.

J. The Redevelopment Agency of the City of Sacramento has allocated 65th Street tax increment monies of $114,700 as the local match and has authorized its executive director to execute an individual project agreement (IPA) with the City of Sacramento to provide local match funding to CIP number TH16.

K. Council has determined that no alternative funding sources are available for the local match requirement for the Study.

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

Section 1 After due consideration of the facts presented, the findings, including the environmental findings regarding this action, as stated in this resolution and the staff report that accompanies this resolution, are approved.

Section 2 The Council accepts the consultant report on the Strategy, attached to this resolution as Exhibit A.

Section 3 In accordance with California Redevelopment Law Section 33445, the City Council further finds and determines that:

(a) The Study will benefit the project area and adjacent neighborhoods by recommending appropriate alternative mitigation measures to facilitate automobile, transit, pedestrian and bicycle circulation in a manner that is consistent with transit village urban design goals adopted for the project area.

(b) No other reasonable means of financing the Study is available to the community.

(c) The payment of the cost for the Study is consistent with the project area implementation plan and will assist in eliminating blighting conditions that include inadequate, outmoded transportation and utility infrastructure that prevents achievement of the implementation plan by limiting redevelopment of underutilized properties to create the densities and mix of land uses in the implementation plan.

Section 4 The City Manager or his designee is authorized to enter into Individual Project Agreements ("IPA") with the Redevelopment Agency of the City of Sacramento to accept $114,700 in Agency funding, or such other funding amount as the Agency may reasonably authorize, to supplement $885,000 of grant funding from SACOG approved to carry out CIP number TH16.

Section 5 The City Manager or his designee is authorized to take all actions and execute such instruments as may be necessary to implement the IPA.

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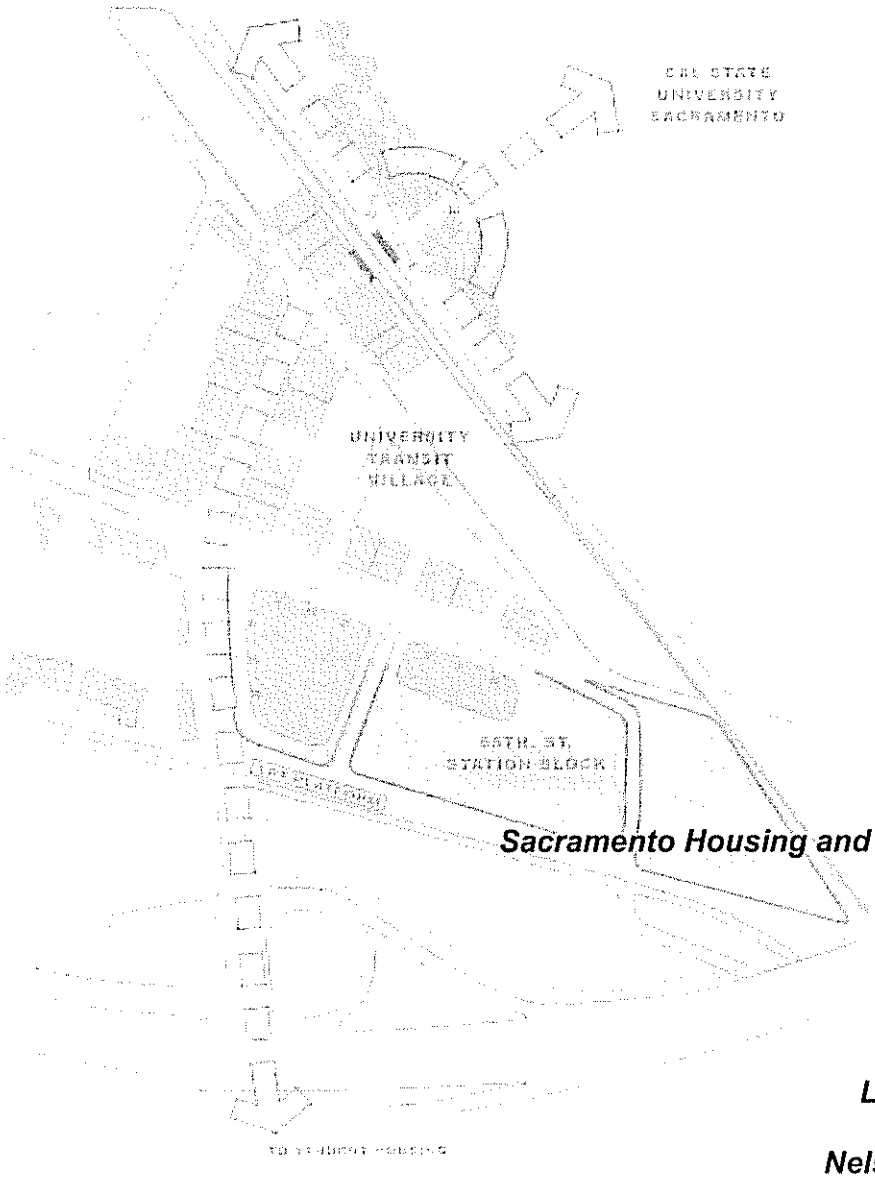
Exhibit A – 65th Street Station Block Development Strategy

65th Street Station Block Development Strategy



July 2006

Prepared for:

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Acknowledgements

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Sacramento Regional Transit District
City of Sacramento Planning Department
City of Sacramento Department of Transportation
California State University Sacramento
Station Block property owners
Sacramento Area Council of Governments

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Executive Summary

In 2005, the Sacramento Housing and Redevelopment Agency (SHRA) contracted with Leland Consulting Group, joined by Fletcher Farr Ayotte Architects and Nelson\Nygaard Consulting Associates, transportation planners, to prepare a conceptual development plan and strategy for the Station Block, a 13.6-acre block located across Q Street from the 65th Street light rail station. Identified as a catalyst development site in the 2002 65th Street/University Transit Village Plan, this study explored in greater detail potential development options and identified specific public actions to facilitate redevelopment

The Station Block itself is comprised of a variety of uses, including the 65th Street Regional Transit bus transfer facility, where nine bus lines converge across from the light rail station Other uses on the block include large retail stores, offices, and light industrial uses on the eastern end and a vacant office building and a small retail center on the west end

The Station Block has the potential to be one of the region's strongest transit-oriented developments It is surrounded by the vibrant East Sacramento and Tahoe Park neighborhoods, has excellent regional transportation access, and is steps from Sacramento State University Thus, it has all the ingredients of a great urban community: location, access, and visibility However, for that vision to be realized, the surrounding district, the 65th Street/University Transit Village, must also rise to the occasion. Thus, rather than being a standalone project, the Station Block should be part of a larger pedestrian community. As discovered in the course of this analysis, achieving this vision will require some important changes to current plans.

This study identified major barriers to implementation that must be addressed prior to development. These include:

- Planned transportation improvements that are in conflict with the adopted vision for a pedestrian-oriented neighborhood;
- Poor access to Sacramento State, which is the single greatest market opportunity for tenants and patrons of businesses in the Transit Village;
- Fractured ownership with varying investment goals and timelines;
- Poor connectivity and pedestrian access throughout the Transit Village; and
- Uncertainty about the future, which translates to developer risk and ambivalence

Thus, this project began as a focused study of the Station Block itself, with the intention of spending considerable effort preparing detailed master plans of development alternatives As the consultant team realized the significance of the barriers, they quickly reoriented the project by focusing on addressing these barriers at the Transit Village level, while preparing less detailed conceptual plans for the Station Block Successful development results from good due diligence and considerable "getting ready."

If these barriers were successfully removed or mitigated, this study found that early development at the west end of the Station Block could result in a vibrant mixed-use project, with from 125 to 225 housing units and from 28,000 to 65,000 square feet of retail and commercial space But for this to be possible, a number of public and private actions must be immediately pursued:

1. Delay the planned Folsom Boulevard transportation improvements and conduct a circulation study to analyze the impacts of creating a new entrance to Sacramento State University at the end of 65th Street near the current Hornet Tunnel Such an entrance would dramatically support the Transit Village vision by creating a "University Main Street" on 65th and potentially reducing congestion at 65th and Folsom This study should be far-reaching, including the analysis of a new entrance's impact to the 65th and Folsom intersection, provision of on-street parking and wide sidewalks throughout the Transit Village, and the canceling of a planned widening of the Folsom Boulevard rail undercrossing As currently planned, *the transportation improvements would not create the type of pedestrian-oriented environment envisioned under current City policy*

2. Support ongoing public-public partnerships between Sacramento State and the City in support of this project The issues and barriers identified in this study will require cooperation and creative financing of improvements – this responsibility must be shared among a wide range of leaders.

3. Build the Sac State Tram This bus rapid transit (BRT) circulator will greatly improve accessibility to the Transit Village for tens of thousands of students on a daily basis, who are the largest market opportunity for new development Further, the Sac State Tram could have significant traffic reduction benefits by making light rail a more attractive transportation option for students, faculty, and visitors.

4. Consider minor changes to zoning and parking requirements The Station Block currently has two zoning designations covering it Given the strong market for housing and housing's ability to revitalize transit villages, the City should consider zone changes that emphasize housing over retail with parking ratios that are appropriate for a transit village.

5. Assemble land at the Station Block in preparation for development. The fractured ownership of the site will mean that redevelopment will be small and piecemeal if some sort of aggregation of property is not made. This can be done either through outright acquisition or through any number of public-private partnerships, where current property owners could lead or be financial partners in a redevelopment of the site.

1. Introduction

With one of the Sacramento region's busiest light rail stations and the proximity to the Sacramento State University (Sac State) campus, the 65th Street Station Block is well positioned to be a model transit-oriented development (TOD) in the region. As a part of the 65th Street Transit Village, the Station Block's potential has already been acknowledged publicly. Recognizing the development potential, the Sacramento Housing and Redevelopment Agency (SHRA) retained the consultant team of Leland Consulting Group (LCG), urban strategists; Fletcher Farr Ayotte Architects (FFA); and Nelson\Nygaard Associates (N\N), transportation planners, to prepare a specific development plan for the property. The findings discussed in this report are intended to support SHRA and City decision makers as they weigh transportation, redevelopment, and infrastructure investment options.

The team would like to thank the many agency partners and stakeholders who were interviewed in this process - their willingness to participate and their candor has been extremely helpful in preparing a realistic assessment of the situation.

Methodology

The Station Block Development Strategy was prepared following a series of reconnaissance and analysis steps. The analysis began with a thorough review of existing studies, site information, and other documents. Following this review, the team conducted a series of stakeholder interviews, including Station Block and nearby property owners, City staff, and representatives from Sacramento State University. From these meetings, the team identified the development barriers and opportunities that impact the site. Finally, the team held a two-day planning workshop on June 14 and 15, 2005 to work with key staff and stakeholders to identify conceptual alternatives for the development of the Station Block.

2. Existing Conditions

65th Street/University Transit Village

The 65th Street/University Transit Village (the Transit Village) is located in East Sacramento just to the west of the convergence of Folsom Boulevard and Highway 50. To the north, it is bordered by Sacramento State University, although the heart of campus is about one mile from the 65th Street light rail station. The district is served by many transportation amenities, including the RT light rail line, nine bus lines, a freeway interchange, Folsom Boulevard, and 65th Street. Thus, the Village is close to Sacramento State, the Tahoe Park neighborhood, and the neighborhoods of East Sacramento.

Within the Village itself is the SMUD headquarters, with over 2,000 employees. Just to the south of Highway 50 is the Tahoe Park neighborhood and The Verge student housing complex (formerly known as Jefferson Commons), home to almost 800 students.

Station Block

The Station Block is an approximately 13.6-acre site located in the Transit Village and is bounded by 65th Street on the west, Folsom Boulevard on the north, the Union Pacific Railroad tracks on the east, and Q Street on the south. The site is made up of a number of separate property ownerships. Current uses on the Station Block are as follows:

- East of Redding Avenue: warehouses, Airgas propane facility, and a vacant lot.
- Middle of Station Block (between 67th and Redding Avenue): vacant building (former A&A Appliance and Office Depot), newly renovated retail buildings, new A&A Appliance store, warehouses.
- West end of Station Block: RT bus transfer facility, former Sacramento County building (under renovation), small retail building.

Zoning on the Station Block was updated to allow for mixed uses after the adoption of the 65th Street/University Transit Village Plan in 2002, described later.

- The western half of the block is zoned C-2 (General Commercial) with a transit overlay, which requires commercial uses but allows housing as an additional mixed use.
- The site on the eastern half of the block (east of 67th), is zoned RMX (Residential Mixed Use) with a transit overlay, which is primarily a medium-density residential zone, but allows ground floor commercial as a mixed use.

Figure 2 1

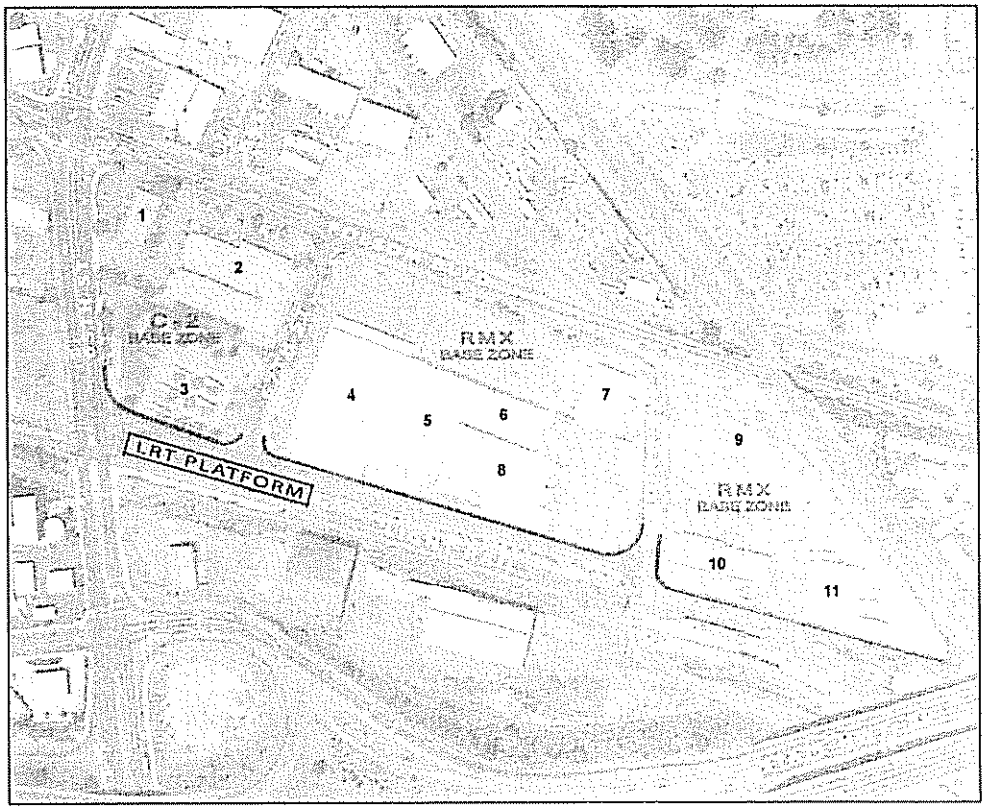


Table 2 1: Station Block Parcel Information

Number	Parcel ID	Owner	Size (acres)	Zoning (TO)	Use(s)
1	015-0010-020-0000	Richmond Trust	0.38	C-2	Strip retail building (occupied)
2	015-0010-003-0000	Mark Lucas	1 57	C-2	Vacant one-floor office building (former county building)
3	015-0010-021-0000	Regional Transit	2.23	C-2	Bus transfer facility
4	015-0010-023-0000	Gonzales-Kimmel Enterprises	2 09	RMX	Retail building (old Office Depot and A&A Appliance)
5	015-0010-024-0000	University Station LLC	1 10	RMX	Office and retail building (occupied), parking
6	015-0010-025-0000	University Station LLC	0 84	RMX	Office and retail building (occupied), parking
7	015-0010-015-0000	Gonzales Kimmel Enterprises	0 97	RMX	Retail (occupied)
8	015-0010-043-0000	6779 Q St. LLC	1.27	RMX	Warehouse (occupied)
9	015-0010-033-0000	Gonzales & Sullivan	0 97	RMX	Vacant (unimproved)
10	015-0010-034-0000	Airgas Northern California & Nevada, Inc.	1 22	RMX	Airgas facility
11	015-0010-032-0000	Perez, Landis, et al	1.03	RMX	Warehouse (occupied)
TOTAL			13.67		

Source: Metroscan, Leland Consulting Group

Planning Context

This effort is not the first planning exercise that informs the Station Block. A number of plans have already been prepared that serve as the starting point for the specific site planning underway now:

65th Street/University Transit Village Plan: Adopted by the City Council in October 2002, this plan defined the community's goals and visions for the 65th Street/University Transit Village District. In addition to defining a range of zoning and other land use policies, the Plan identified 27 goals for the District. These goals serve as the baseline for defining the overall theme and vision for the Transit Village and are included in the Appendix.

In addition to the above plan, other recent planning documents that guide the evolution of the Transit Village include:

65th Street/University Transit Village Infrastructure Needs Assessment: This plan identifies infrastructure improvements required to implement the Transit Village Plan above.

Transit for Livable Communities (TLC): The TLC planning project, conducted in 2002, identified regional strategies for implementing TOD throughout Sacramento

South 65th Street Area Plan: While the Station Block is not technically part of this plan, it describes the vision for the neighborhoods south of US-50, and is therefore extremely important in terms of understanding connectivity and the potential users of the Station Block.

Recent Projects

To the west of the Station Block, across 65th Street, two significant developments have broken ground:

65th Street Village/F65: This project is located at the southwest corner of Folsom Boulevard and 65th Street. It is already built and partially occupied, totaling 49,252 square feet of retail space on 2.7 acres.

- 8 loft townhomes
- 33,000 square feet of retail
- 9,500 square feet of residential space
- 154 parking spaces

Rasmussen Project: This project is located on an 'L' shaped parcel behind the 65th Street Village with access to both Folsom and 65th. It broke ground in

August 2005, and, when complete, will contain 2,443 square feet of retail, 141 rental residential lofts, and 180 parking spaces on 4.68 acres.

On the Station Block itself, there have been a number of recent changes:

Sullivan Project: A number of improvements to some of the Station Block properties are currently underway. Properties owned by Jim Sullivan have recently been repainted and office space on the second floor is being renovated. Retail space at the east end of the project is also planned for renovation.

Gonzales Property: At the far eastern end of the Station Block, the former thrift store property is currently undergoing major renovations in preparation for the relocation of a paint store and A&A Appliance. This project includes significant interior and exterior upgrades.

Lucas Enterprises: Lucas Enterprises recently purchased the former County building. Tenant improvements are planned for much of the building contingent upon the signing of leases for the space. These leases are anticipated to be an interim use until a larger Station Block project is feasible.

Planned Projects

In addition to the above projects that are currently underway, other projects are in the planning stages.

Jackson Properties: Immediately south of the Station Block, the former "Barn" property has been entitled for up to 160,000 square feet of office space. Since the office market has been soft in recent years, the property owner is considering alternatives.

Sac State Master Plan Elements: Adopted in 2004, the Sac State Master Plan accommodates an increase in student enrollment from 29,000 to 38,000 by 2014 – a 31percent increase. Much of this growth, including 7,000 structured parking spaces (total cost = ~$140 million), would occur near the south edge of the campus, near Folsom Boulevard. The university may avoid the need to build approximately half these spaces if the Sac State Tram successfully connects the campus to the 65th Street light rail station. The campus' main south entrance would shift away from College Town Drive and Power Inn Road toward Folsom Boulevard and 65th Street. It is estimated that up to 37 percent of traffic in the left turn pocket at Folsom Boulevard in the Transit Village is related to the university today. As a part of the University's strategy to make the campus serve the entire region, a number of significant improvements are planned (see Figure 2.2):

- **New Arena:** A 6,000 to 8,000 seat indoor arena is planned adjacent to Hornet Stadium. It is projected to be complete in 2009-2010.

- **Science and Space Center:** Located near the J Street entrance, this facility is planned to include an observatory, planetarium, hands-on science

exploration areas, and laboratories for students interested in astronomy research. It is projected to open in 2008-2009.

- **Recreation and Wellness Center:** This major upgrade and new facility adjacent to Hornet Stadium will include gyms, pools, a rock climbing wall, a student health center, classrooms, conference space, and other uses. It is projected to open in 2009-2010.

- **Hornet Bookstore:** A new Hornet Bookstore will be built on the east edge of campus and is slated to open in 2007.

- **University Village:** Sac State recently acquired the 25-acre former CYA property on Ramona Avenue for future redevelopment as more than 500 units of affordable and attainable faculty and staff housing. It is projected to open in 2008-2009 with a total investment of $80 - $100 million.

Figure 2 2

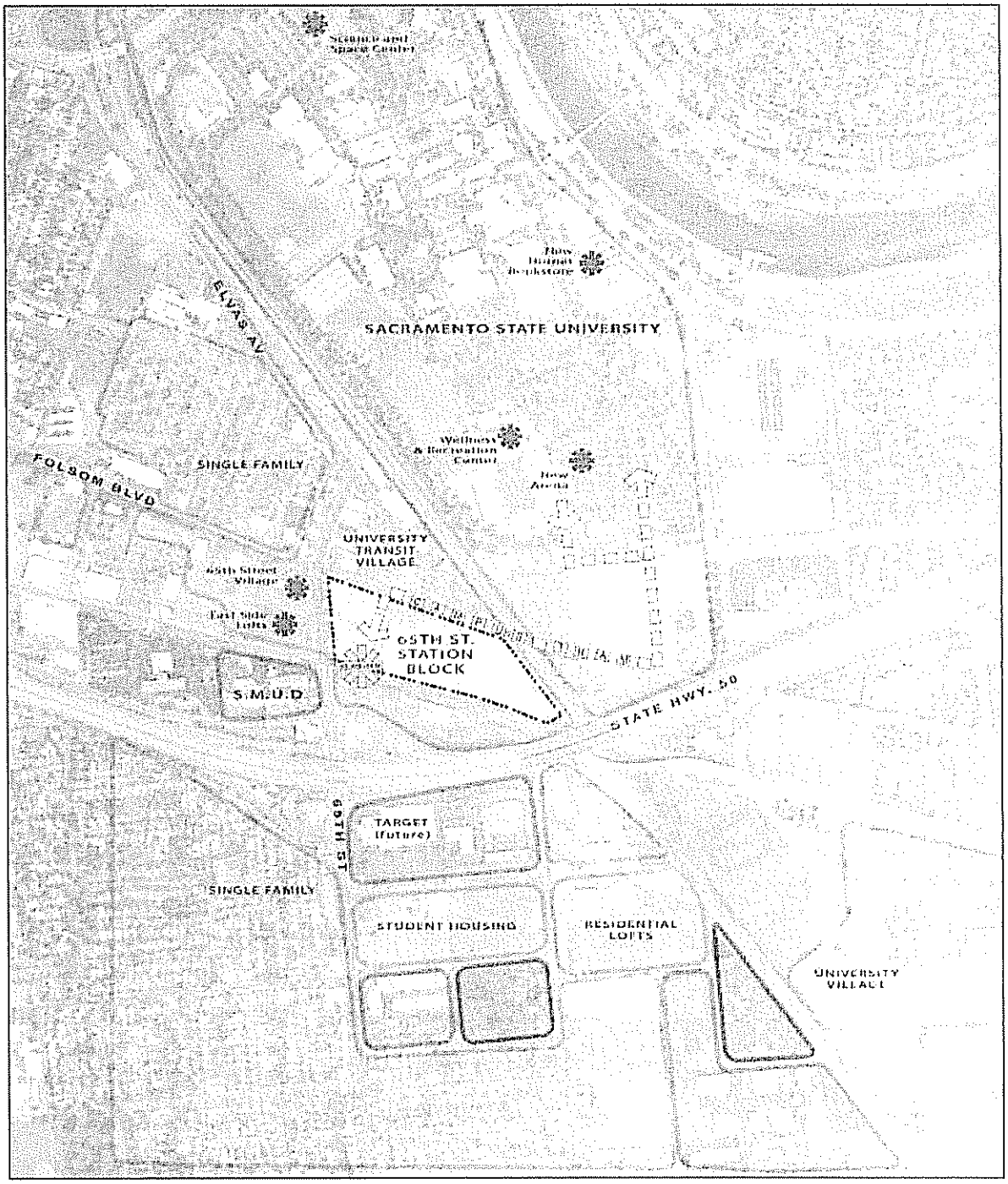


Table 2 2: Station Block Context

3. Barriers to Development

The combination of existing, ongoing, and planned development in the Transit Village area combined with existing uses and infrastructure may act as barriers to the type of development envisioned in the Transit Village Plan. A summary of the key challenges is as follows:

Folsom Boulevard Improvements

The Folsom Boulevard Improvements Project is a planned set of roadway improvements that implement elements of the Transit Village Plan, including mitigation measures for traffic impacts generated by the Transit Village as well as from the Granite Regional Park project. Currently in the planning stages, the City of Sacramento, working with Mark Thomas & Company engineers, produced an administrative draft technical memorandum summarizing the proposed improvements. The planned improvements focus on enhancing traffic flow, streetscape improvements, and greater pedestrian amenities.

Some of the key elements of the improvement project include:

- Widen Folsom Boulevard from two lanes to four lanes under the UPRR tracks, connecting existing four lane segments.
- Improve bicycle lanes throughout and add new bicycle lanes where there are none currently.
- Improve sidewalks throughout and add new sidewalks where there are none currently.
- Construct new pedestrian and bicycle pathways under the railroad tracks along both sides of Folsom Boulevard.
- Extend Ramona to Folsom and create a new major entrance to Sac State.
- Create all-movement intersection at Elvas and Folsom.
- Add new turn lanes at key intersections, particularly 65th Street and Ramona.
- Provide landscaping throughout.

As described in a technical memorandum dated May 27, 2005 prepared by Nelson\Nygaard Consulting, there are conflicts between the proposed transportation improvements and the adopted vision for the Transit Village as a pedestrian-oriented community. Among the key reasons for the conflict is the fact that the transportation improvements implement mandated traffic mitigation measures for the Transit Village and for projects that are located *outside* the Transit Village. Some of those improvements were designed to facilitate traffic movement at intersections far from the heart of the Transit

Village and do not promote the context of the Transit Village as a pedestrian-oriented community.

Some significant improvements will have a detrimental impact on the ability to truly achieve the vision. By extension, therefore, the improvements inhibit the ability to achieve a successful transit-oriented development at the Station Block.

There are a number of important facts relating to traffic in the Transit Village:

- The most significant traffic constraint is the intersection of 65th Street and Folsom Boulevard (and the high number of turning movements that occur there), not the narrowing of Folsom Boulevard to two lanes under the railroad tracks. Yet, the widening of the railroad undercrossing is by far the most expensive component of the improvement project. In fact, keeping a "choke point" at this location may alleviate further congestion at 65th Street by restricting flow.
- Only 13 percent of traffic turning left from westbound Folsom Boulevard to southbound 65th Street originates east of College Town Drive and fully 37 percent of traffic in this turn lane is a result of Sacramento State University. Thus, addressing traffic generated by Sacramento State could have significant impacts on the Transit Village.
- Traffic volumes on Folsom Boulevard are projected to rise from 22,000 to 27,000 vehicles per day today to 32,000 to 39,000 vehicles per day in 2025.

In conclusion, some of the Folsom Boulevard improvements are in conflict with the adopted policies of the City that state that the Transit Village should be a pedestrian-friendly neighborhood with an emphasis on the pedestrians, not cars. Rethinking the proposed improvements must be a part of the implementation strategy for the Station Block to ensure that the site is developed successfully as a transit-oriented development.

Other Transportation Constraints

In addition to the Folsom Boulevard Transportation Improvement issues, other existing conditions influence the site.

Poor Connectivity

Unlike downtown, streets dominate this portion of Sacramento with very poor connectivity. Through streets are generally spaced every half-mile to a mile. As a result, the through streets must carry very high volumes of auto traffic and present barriers to travel by transit, bicycle and foot. The study area is affected by the fact that Folsom and 65th are the only through streets for great distances. The result is a major traffic bottleneck in the heart of what should be a pedestrian-oriented area.

One of the most effective tools for alleviating this bottleneck is to restore as much of the grid as possible. This is hampered by the railroad tracks, highway, and the large (½ to one-mile) grid pattern for collector and arterial streets.

Auto Orientation of Land Uses

Most of the surrounding land use context is exclusively auto oriented. This is understandable given the fact that the area was formerly industrial, oriented to the two freight railroads

Physical and Other Issues

Parking

Parking on the site is currently adequate for the existing uses, but an intensification of the uses on the site may require some form of structured parking.

Fractured Ownership

As shown in Figure 2.1 and Table 2.1, ownership of the Station Block is significantly fractured, with seven separate owners and partners. Further, many of the buildings on the site have long-term leases with existing tenants or are expected to have new leases soon. The multiple parties and differing lease time frames will make joint development or land assembly challenging for at least the next five to ten years

Land Costs

While they have not been verified with actual sales data, the team heard many comments in the stakeholder interviews that land costs throughout the Transit Village have become extremely high due to speculation, yet retail rents have not moved up. High land costs coupled with stagnant rents may force current owners to maintain existing uses for a longer period of time.

Infrastructure

Utility infrastructure (water and sewer) on and near the Station Block is reportedly at or near capacity and will likely force new development to wait until capacity improvements are made. It has been noted that one of SHRA's first redevelopment projects will be to address these infrastructure issues

Uncertainty

The Folsom Boulevard Improvements Project is now on hold as a result of the findings of this study and the future circulation study. The improvements will take many years to construct once the project is restarted. In addition, the infrastructure limitations mentioned above create additional uncertainty about the ability to successfully implement a development project. To private sector developers, certainty in development is one of the most valuable and critical components of a project. Until both of these issues are resolved, it may be difficult to get the private sector to break ground on a project.

LRT Tracks & 65th:

Several project stakeholders suggested that a potential solution to the traffic congestion problems at 65th and Folsom would be to provide a grade separation of the railroad tracks at 65th. Peak hour observations at the station area confirmed that the LRT trains do, in fact, introduce motorist delay along 65th. City DOT staff, however, has suggested that the LRT crossing may not be the major capacity constraint in the roadway system. While the gate arms are down, there does not appear to be a substantial amount of unused capacity at the freeway ramps or the 65th and Folsom intersection that could be used if only cars could get across the tracks. Once the gate arms open, traffic quickly fills in, queuing from the actual bottlenecks at the key intersections.

Thus, it is unlikely that creating a grade separation would result in a significant capacity improvement. A grade separation project here would likely not be the most cost effective means for managing congestion in the station area. Certainly, such a project would provide very little benefit for RT. These preliminary conclusions should be confirmed by a quantitative traffic analysis, which has not yet been completed.

4. Shared Vision for the Station Block

Preparing a conceptual master plan for the Station Block must begin with a set of shared principles and a common vision. This vision establishes the baseline components of the project and creates the criteria against which alternatives can be evaluated. Reaching this common vision involves input from many stakeholders, a review of existing plans and documents, and an assessment of market feasibility. Based on these findings, the vision for the Station Block is described as follows:

> The Station Block will be a vibrant, mixed-use project, at urban densities that contribute to the vitality of the 65th Street/University Transit Village. It will have active uses on both 65th Street and Folsom Boulevard and will support the commercial and residential needs of existing users, nearby neighborhoods, and Sacramento State University. It will be part of a revitalized Transit Village where pedestrians can comfortably walk between uses and will facilitate shared parking. It will strengthen connections between Sac State and the light rail station and will be an example of quality development.

Stakeholder Summary

Early in the project, the consultant team met with key stakeholders, property owners, and developers within the Transit Village District. These conversations focused on the Station Block and included discussions of the vision for the site, perceptions of existing barriers, and areas for opportunity. While there were a variety of perspectives, there were also some common themes that emerged:

- Do something bold on the site;
- Spend public money on projects that will benefit the entire district;
- Improving traffic flow and pedestrian safety will go a long way toward achieving the Transit Village vision;
- Keep in mind the adjacent neighborhoods such as East Sacramento and Tahoe Park – let the Station Block and the Transit Village be a neighborhood village;
- Also keep in mind Sac State and the huge potential driver it could be for redevelopment in the District;

- Turn 65th into a true campus main street with restaurants, bookstores, shops, and housing; and
- There is a lot of timing and uncertainty related to ongoing plans and projects in the area.

5. Preferred Development Program

Since many components of the Transit Village need further study, this report includes conceptual development alternatives on the westernmost portion of the Station Block only. This part of the Station Block has significant redevelopable property (including the RT bus transfer facility) and could be redeveloped prior to reaching final consensus on some of the issues described above, such as the location of internal streets, changes to 65th, a new entrance to Sac State, etc. Thus, this section describes the type of development that could be achieved in the short term, recognizing that some of the other issues identified above may take five years or more to study and implement.

Assumptions and Limitations

The conceptual development options described here assume essentially the same mixed-use vision for the site, but vary based on how much property is available for redevelopment. Other factors that are common to each concept include:

- That the entire western portion of the site be available for redevelopment. As described in the Action Plan Roadmap, later, this will require joint development, land assembly, or some other form of public-private partnership.

- That the RT bus transfer facility is relocated. As described in the Appendix, there are several conceptual opportunities to relocate it, but each will require considerable technical analysis to determine whether it is feasible or would have negative consequences on RT's operations. This study assumed that the existing corner site is simply too valuable for redevelopment and for the main street concept on 65th to remain as a bus station.

- The proposed concepts are consistent with current zoning, including building heights, density, and parking ratios.

- The development concepts have not been analyzed financially to assess the development costs or financial feasibility. Instead, their purpose is to explore what is physically feasible on the site and fits with the desired character of the Transit Village. The Action Plan includes a financial analysis as a future task.

Programs

A development program is a narrative and numerical description of the character, type, scale, and mix of uses of development that will occur on a site. Specifically, the development will include ground-floor retail on 65th and Folsom

with residential uses above Having active ground-floor frontages fulfills the vision for those streets to serve as Main Streets. While office uses could also locate above the ground floor, the parking demands of office users would be considerably higher than for residential users, and office space would not activate the Transit Village in the evenings and on weekends. The three options are similar in terms of uses and differ in the size of the development site and internal circulation.

Options Summary

Table 5 1

Element	Option A	Option B	Option C
Development land area	4.2 acres	6.3 acres	6.3 acres
Overall FAR (not including parking)	1.21	1.05	0.52
Retail	44,000 SF	65,000 SF	28,000 SF
Residential	186 units	223 units	124 units
Office/Flex	0	0	16,000 SF
Parking			
structured	250	490	262
on-street	45	55	80
Total parking	295	545	342
Parking per residential unit	1.0	1.0	1.0
Parking per 1,000 SF retail/office	2.5	5.0	5.0
Open Space	7,300 SF	23,000 SF	5,000 SF

Source: FFA Architects

Option A

The first development option does not require any property acquisition east of 67th. With a core parking garage surrounded on three sides by retail storefronts, the development would have two levels of housing above the garage, providing 160 apartment units. Lining 67th Street would be 26 townhomes or live-work units, which would provide a continuous street frontage where retail would not likely be successful. Above the parking garage would be open space to serve as an amenity for residents. Limited by site size, this alternative would create a limited amount of parking to serve the retail. An additional level of parking could be provided below grade, but at considerable expense

Figure 5.1

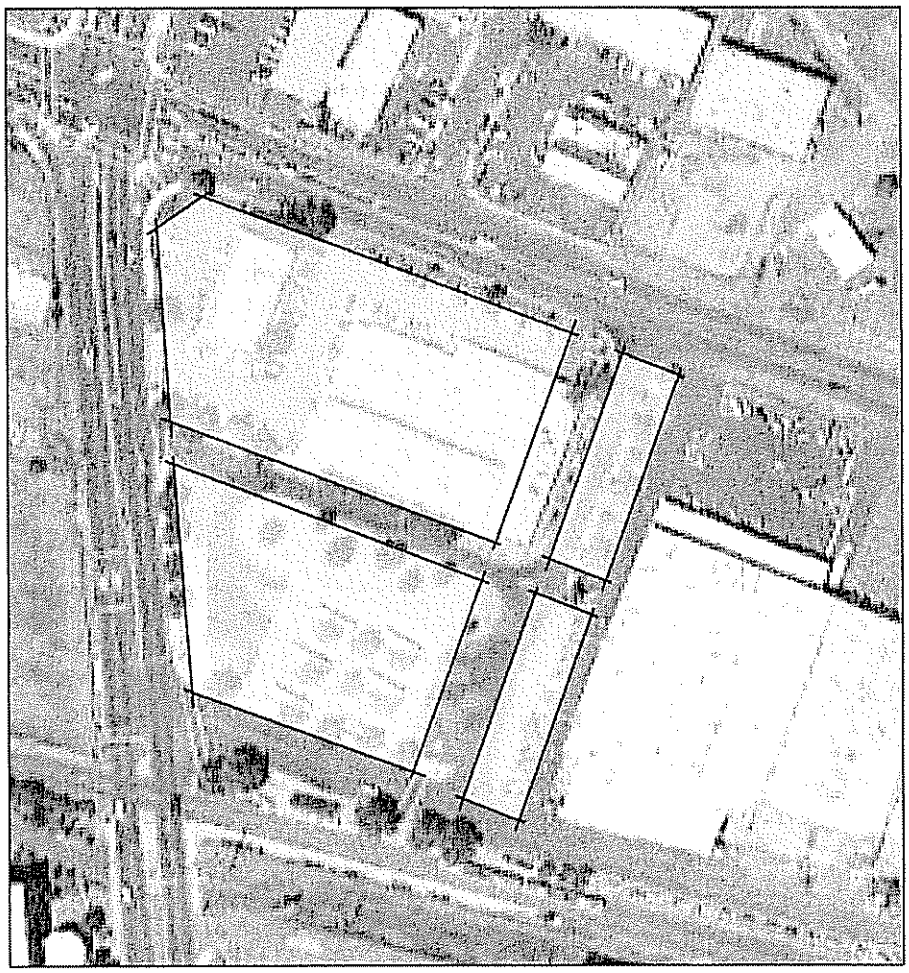
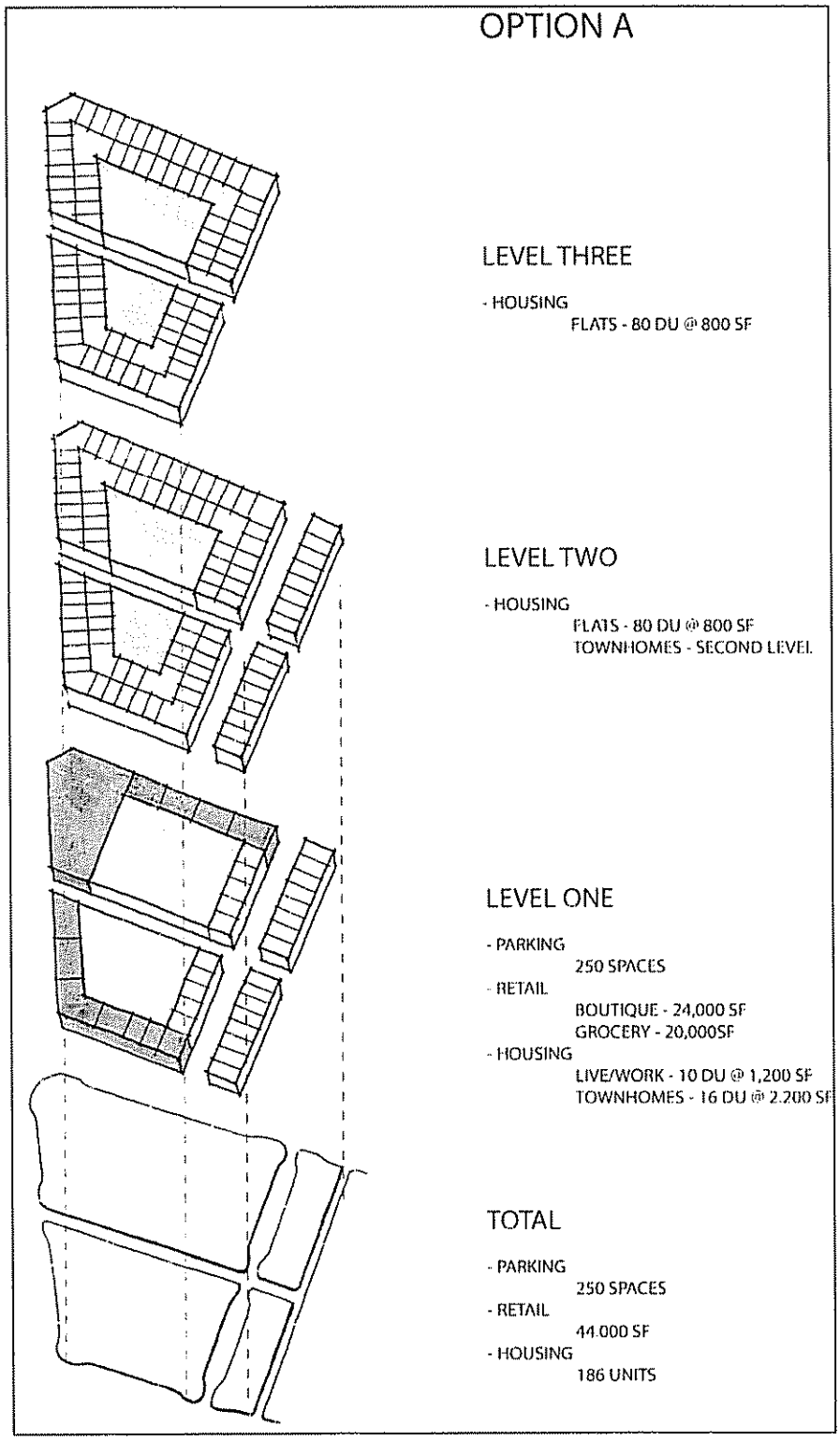


Figure 5 1 2


OPTION A
LEVEL THREE
- HOUSING
FLATS - 80 DU @ 800 SF
LEVEL TWO
- HOUSING
FLATS - 80 DU @ 800 SF
TOWNHOMES - SECOND LEVEL
LEVEL ONE
- PARKING
250 SPACES
- RETAIL
BOUTIQUE - 24,000 SF
GROCERY - 20,000SF
- HOUSING
LIVE/WORK - 10 DU @ 1,200 SF
TOWNHOMES - 16 DU @ 2,200 SF
TOTAL
- PARKING
250 SPACES
- RETAIL
44,000 SF
- HOUSING
186 UNITS

Option B

Option B is similar to Option A, except that it utilizes property east of 67th, where additional parking could be built to serve the project and possibly other properties in the Transit Village. With additional property available, it could also provide a greater diversity of housing products, with up to 63 townhomes or live-work units in addition to the apartment flats. The configuration would create space for a larger anchor retailer of 20,000 square feet, perhaps a specialty grocer.

Figure 5.2

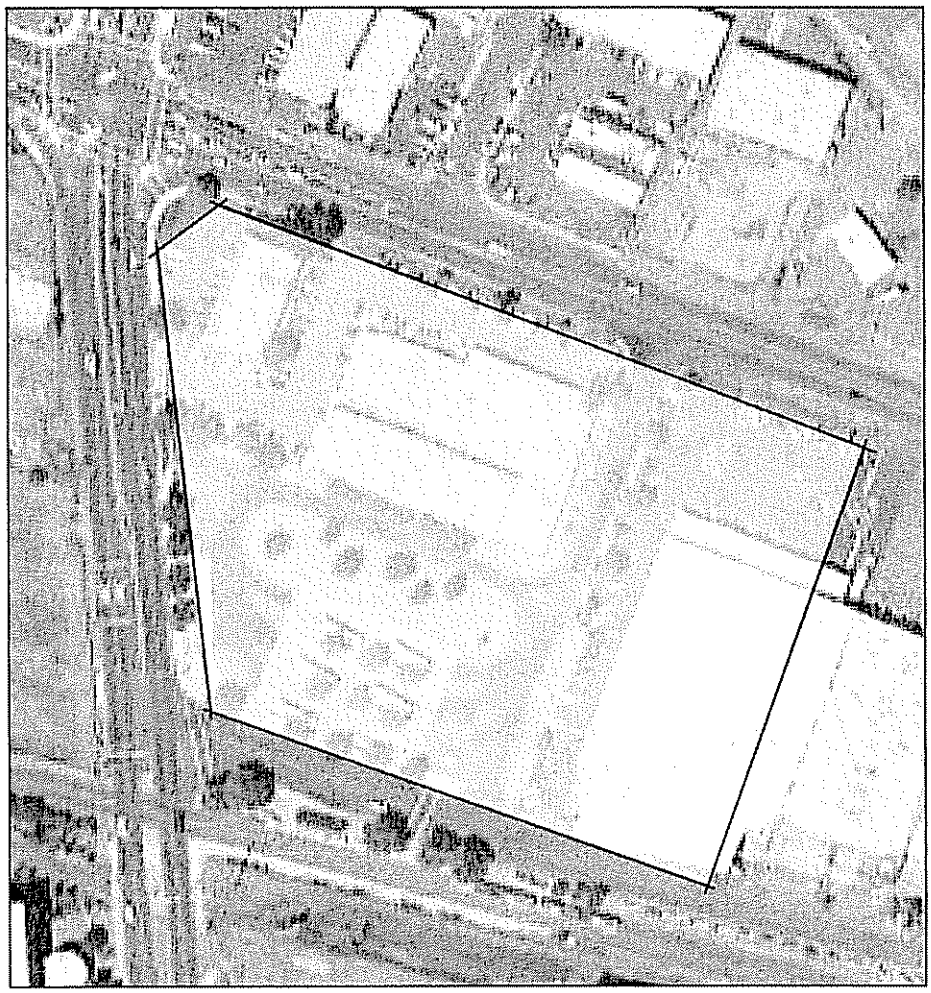
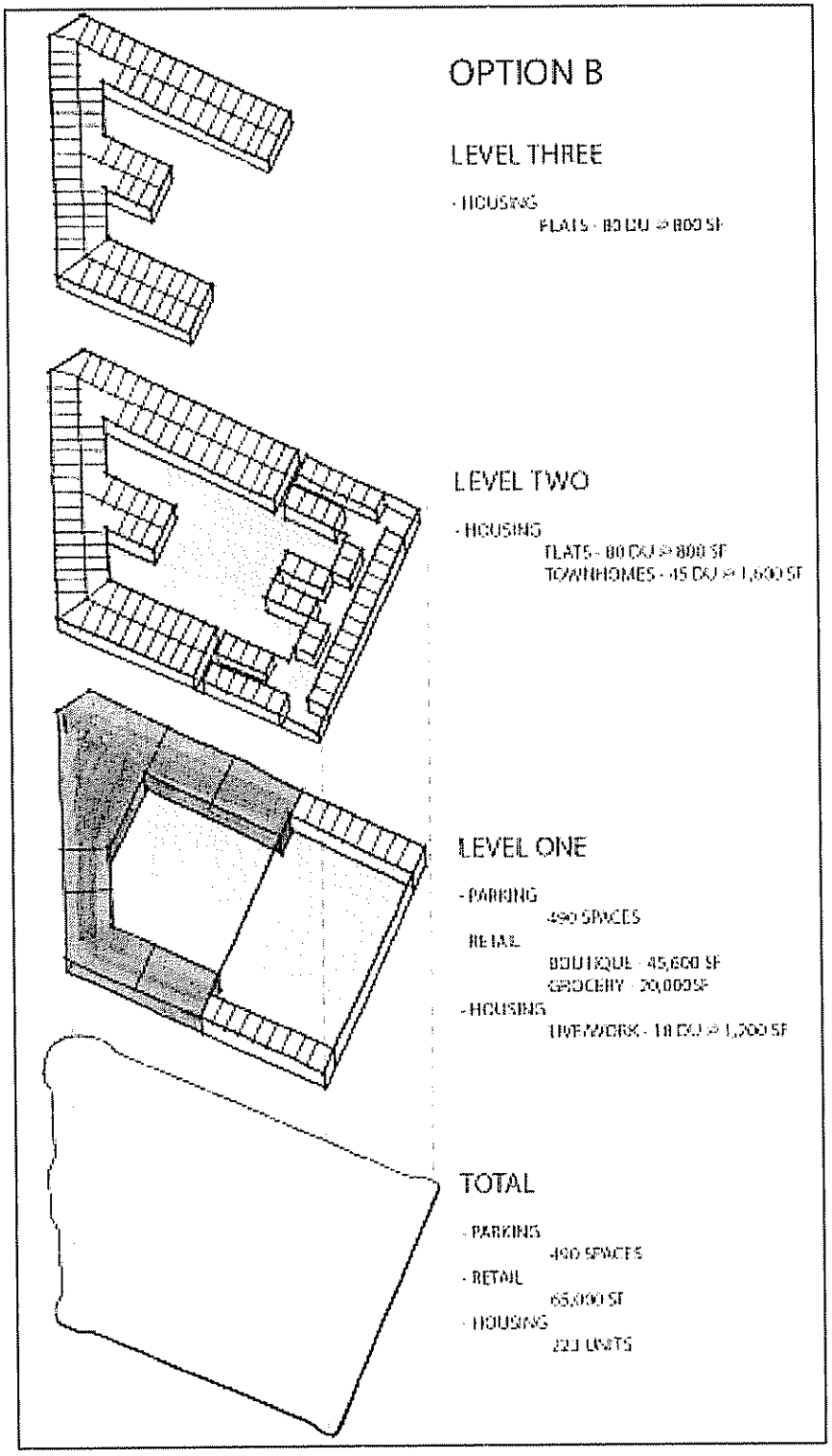


Figure 5.2.2


OPTION B
LEVEL THREE
- HOUSING
FLATS - 80 DU @ 800 SF
LEVEL TWO
- HOUSING
FLATS - 80 DU @ 800 SF
TOWNHOMES - 45 DU @ 1,600 SF
LEVEL ONE
- PARKING
490 SPACES
RETAIL
BOUTIQUE - 45,600 SF
GROCERY - 20,000SF
- HOUSING
LIVE/WORK - 18 DU @ 1,500 SF
TOTAL
- PARKING
490 SPACES
- RETAIL
65,000 SF
- HOUSING
223 UNITS

Option C

The third option utilizes the same, larger property as Option B, but assumes a higher degree of internal circulation and creates a "mini" grid structure. Since these smaller blocks would create less efficient parking structures, one level of underground parking would be built at the western end of the site. Instead of focusing on apartments, this concept would include 124 two-story flats located above the ground floor retail. Office flex spaces would be located on the ground floor of internal blocks since those locations would not have the visibility required by retailers.

Figure 5.3

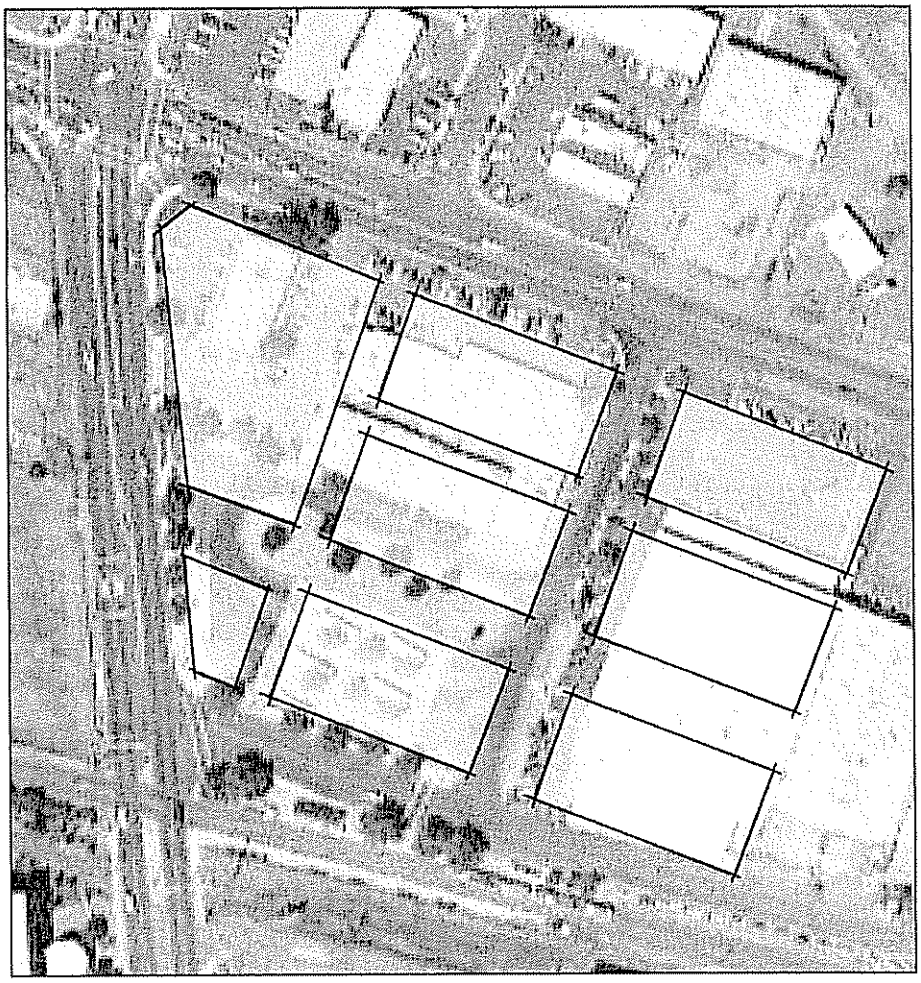
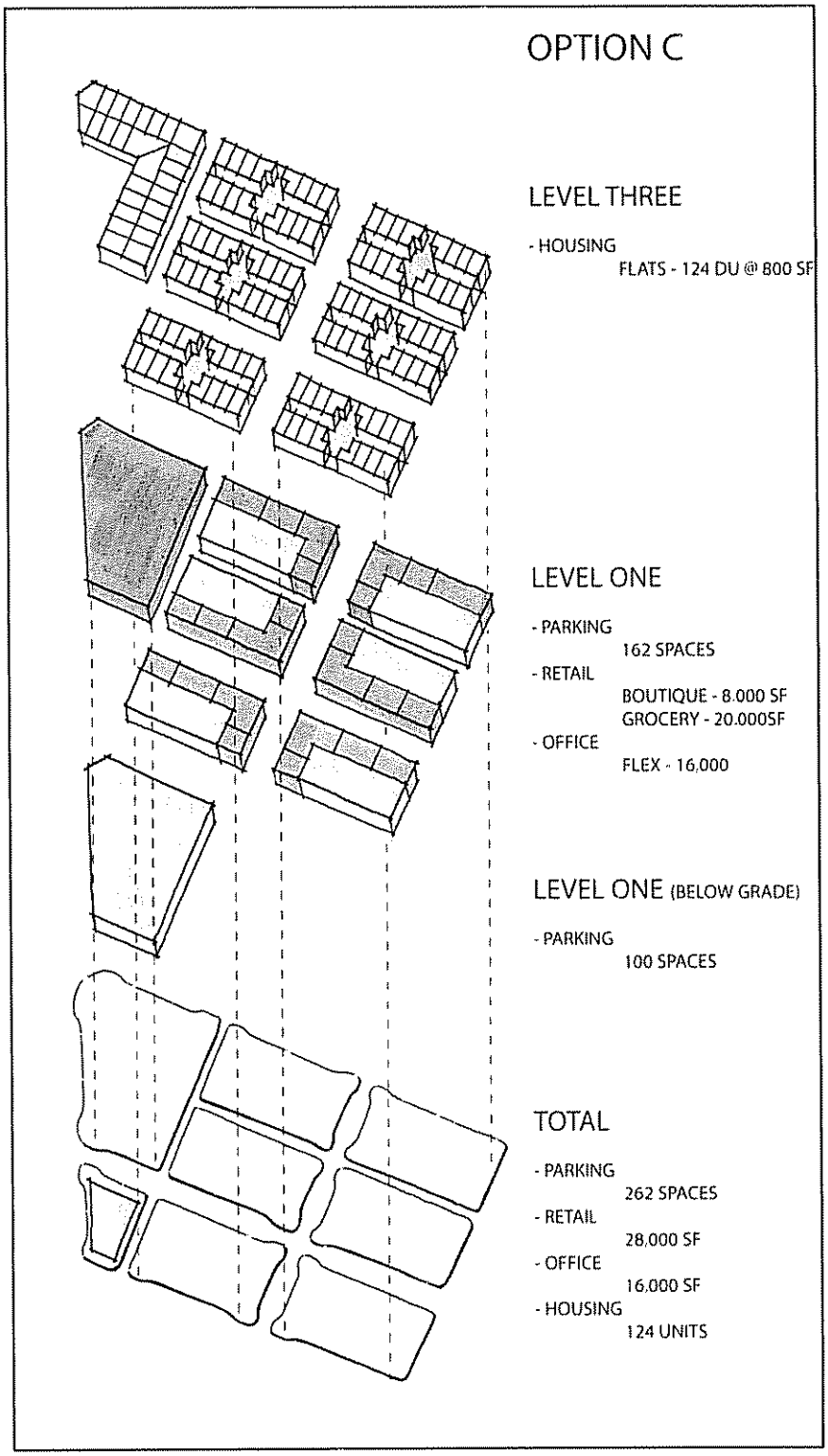


Figure 5.3.2


OPTION C
LEVEL THREE
- HOUSING
FLATS - 124 DU @ 800 SF
LEVEL ONE
- PARKING
162 SPACES
- RETAIL
BOUTIQUE - 8,000 SF
GROCERY - 20,000SF
- OFFICE
FLEX - 16,000
LEVEL ONE (BELOW GRADE)
- PARKING
100 SPACES
TOTAL
- PARKING
262 SPACES
- RETAIL
28,000 SF
- OFFICE
16,000 SF
- HOUSING
124 UNITS

Recommended Alternative

While Option C creates a more refined pedestrian grid on the site, the cost of the underground parking would likely be prohibitive and would not be justified by the relatively few housing units produced. Instead, Options A and B are preferred due to the significant housing that they would provide and the fact that they could be built with above-grade parking structures, minimizing the expense of providing parking. Of the two, Option B best balances the opportunity that housing provides for a transit district and has adequate parking to avoid negative impacts elsewhere in the Transit Village or adjoining neighborhoods. However, if acquisition of properties east of 67th is not possible, Option A should be pursued as an interim solution until those properties are redeveloped.

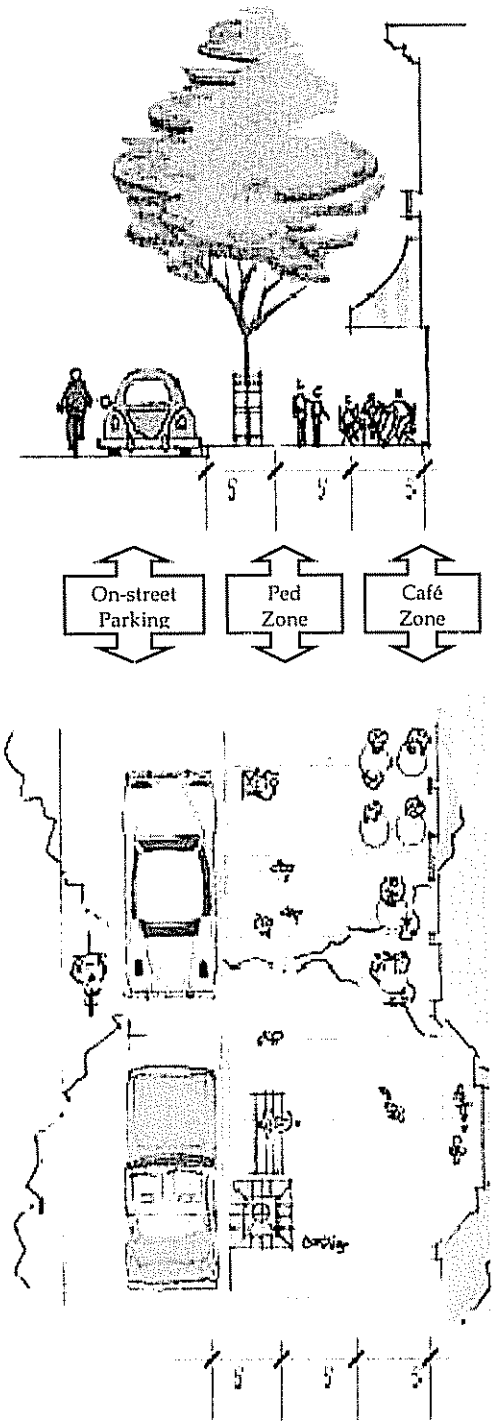
6. Development Principles and Station Block Components

To implement the vision, a series of development principles should be used to serve two important purposes: 1) to guide the specific planning of land uses on the Station Block itself; and 2) to help evaluate other planned projects in the district and identify additional tasks or changes that are necessary. This section describes those principles and certain immediate steps that should be taken before pursuing full development of the Station Block.

Folsom Boulevard and 65th Street as Main Streets

The vision for the 65th Street/University Transit Village as a pedestrian-oriented district implies that both 65th Street and Folsom Boulevard behave as "Main Streets." With buildings built to the lot line, on-street parking, and wide sidewalks, these Main Streets encourage the type of active, walkable district that the City has described in the Transit Village vision. As it relates to the Station Block and the existing conditions today, the following changes should be implemented.

Figure 6 1



Focus on Housing

As a strategy, the Transit Village should focus on providing significant amounts of housing in order to achieve the active pedestrian environment described in the vision There is a strong and growing market for urban housing Average family sizes are getting smaller, a growing proportion of households house two or fewer people, more people are working from home, and more people are seeking safe, interesting and inviting environments This is especially true for a neighborhood adjacent to a major urban - university

Compared to offices, housing provides stronger support for retail Spending from the typical office worker supports 0.5 square feet of retail space. Residents, in contrast, can be expected to spend enough to support 10 square feet of retail space if the services are available This represents a 20 to 1 leverage opportunity for housing versus office users when considering how to support retail Urban housing also requires less parking than office development Office space requires 3 0 to 3 5 spaces per 1,000 square feet of development; housing requires just 1.0 to 2 0 spaces per 1,000 square feet, depending on the parking codes

Finally, urban housing generates activity late into the evening and every day of the week, whereas office buildings are typically empty after 5:00 p m. and on weekends.

Parking

The quantity and location of parking on the Station Block is a factor of phasing and whether parking needs to be provided for the site itself or also for the rest of the Transit Village. The feasibility of shared parking further depends on the type of land uses involved. Developers of retail projects typically expect customer parking on the same block as their buildings, although in districts with multiple compelling retail destinations and an inviting pedestrian environment, people will walk a few blocks from their parking space to their destination. For for-sale residential projects, developers will demand parking in the same building. For rental housing, it may be possible to attract developers if the parking were provided across the street, but having parking attached to the apartment building would be preferred. Employee parking may be more distant, but these numbers will be small. Thus, major enhancements to the pedestrian environment, surrounding land uses, and connectivity are needed if a shared parking facility is to be feasible. Specifically, short crossing distances across Folsom Boulevard and more development on the blocks to the north would help support a shared garage at the Station Block.

On-Street Parking

On-street parking is critical for the success of street-oriented retailers. It is the most convenient type of parking and it creates the steady turnover of shoppers needed by stop-and-go retailers such as coffee shops, dry cleaners, and specialty food stores. Further, on-street parking provides a safety buffer between the pedestrian and street traffic, further encouraging pedestrian activity. While the actual number of parking spots provided in front of each store is small, the perception of parking availability and the overall traffic-calming effects are essential components of a pedestrian district.

In order to provide a high quality street for all modes, additional right of way is needed along 65th and Folsom. Replacing the planned additional travel lane on 65th Street and the additional turn lanes on Folsom with on-street parking and wider sidewalks should reduce the additional right of way needed. If future policies and conditions determine that additional roadway capacity outweighs the pedestrian- and retail-orientation of the Transit Village, the on-street parking can be converted to a travel lane, perhaps only at peak travel times. These issues should be explored in the forthcoming circulation study.

In order to support retail, the sidewalks along Folsom and 65th and their cross streets should be a minimum of 10 feet wide, with 15 feet preferred. With on-street parking, no landscape buffer is needed, and street trees can be provided within these dimensions. Street trees can be located in the parking lane to

improve pedestrian comfort or in the widened sidewalk to provide for more on-street parking and trees.

Parking Implementation

The following section describes some of the implementation details of a parking structure in the Transit Village.

Phasing. If it was possible to know precisely which buildings would be constructed first, and that redevelopment of all remaining parcels would follow in an orderly fashion, it might be possible to develop a parking phasing strategy utilizing a mix of temporary surface parking and strategic investment in structures. However, due to the fractured ownership on the Station Block, it is not possible to predict when all the parcels will turn over. As a result, an oversized parking structure intended to accommodate both immediate and later development may not be financable, since it will require an immediate return.

Economies of Scale. There are significant economies of scale in the construction of parking structures, with small, irregularly shaped structures much more costly per space than larger, rectangular structures that fit into ~120' increments. After a certain size, however, increasing scale offers diminishing returns. If structured parking is required on site for a residential mixed-use project, there are likely few, if any, savings to be had in locating the commercial parking in a separate off-site structure. For large rental housing projects, however, there may be savings to be had in building a separate parking structure where retail and residential parking is shared at market rates.

Parking Management. Having a limited number of large parking structures that can be shared and well managed for the larger public good is a desirable goal. This can be achieved by direct public investment in parking structures, by requirements on private development, by creation of a Business Improvement District, by leveraging public money in the private development process, and by other means.

Redevelopment Agency Investment. SHRA will be looking for capital investments that will offer a high level of return in supporting the agency's larger goals. Sometimes, parking structures are a good agency investment since they can reduce developers' costs, increase achievable density, support sound parking management, and attract customers to new retail. At 65th/Folsom, the greatest capital needs are for those that would improve the walkability and streetscape, as those streets are currently the greatest limitation both in achieving the larger public goals as well as the right type of developer investments.

Parking Recommendation

Due to the fractured ownerships, time frame for Folsom Boulevard improvements, and uncertainty about what will happen on properties north of

Folsom Boulevard, a shared parking structure to serve properties outside the Station Block is not recommended.

Connection to Sac State Campus

In order to help alleviate the traffic congestion caused by high turning movements from westbound Folsom to southbound 65th, the City and Sacramento State should strongly consider creating a new main entrance at 65th for all modes. There are compelling reasons why this major change should be considered:

- It would allow the creation of a great main street environment, such as University Avenue in Palo Alto or Telegraph in Berkeley. If no Sac State traffic actually travels on the northern portion of 65th, the vision of it serving as a true university main street is greatly challenged.

- Improved traffic flow at 65th and Folsom – one of the greatest constraints at this intersection is caused by the high level of turning movements made by travelers going to and from Sac State. A direct vehicular entrance at the end of 65th Street could improve the capacity of the 65th and Folsom intersection by providing a turn-free access to campus.

- While a new entrance would result in more traffic on 65th Street north of Folsom, it may not mean a net increase in traffic in the Transit Village area. Some of the traffic currently queuing on 65th would be diverted with the full intersection proposed at Elvas and Folsom. Reallocating intersection time currently consumed by the left turn phases to a straight-through phase should also help reduce congestion.

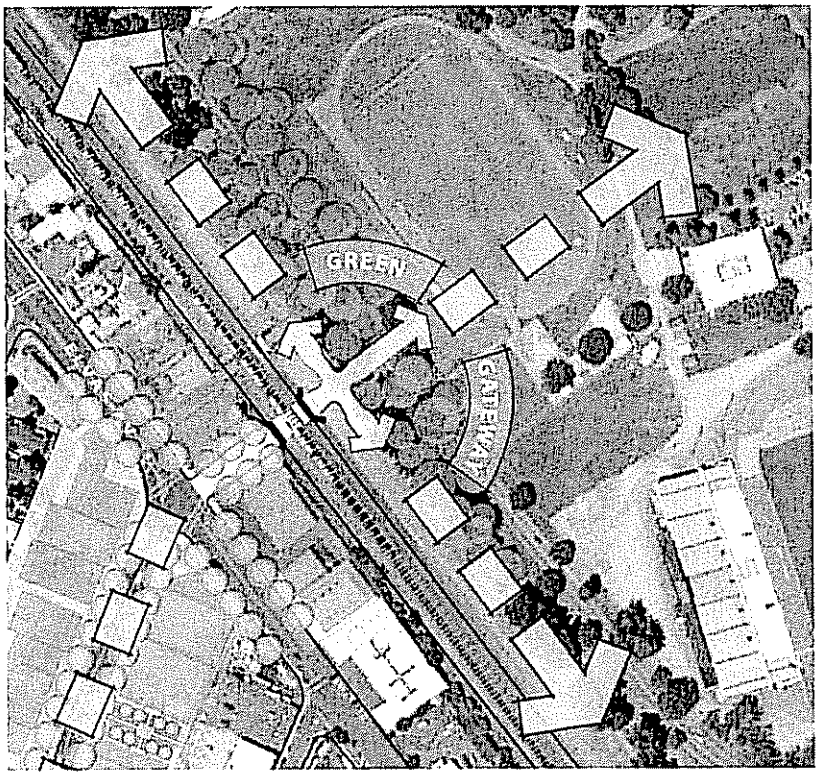
- A feasibility study prepared in February 2006 for the City indicates that a new tunnel under the railroad tracks at 65th Street is technically feasible and would cost approximately $24 million to construct. If, as this report recommends, the expansion under the railroad tracks at Folsom is not made, the City could pursue similar funding for the 65th Street tunnel, where the positive impact could be more significant.

- While the existing Hornet Tunnel provides pedestrian access, it is small, barely noticeable, and has little impact on redevelopment in the Transit Village. A new entrance and intersection will create a signature gateway that will anchor the 65th Street main street, helping to foster the redevelopment and reinvestment that the City desires.

- A vehicular entrance at 65th would create a more direct route to the 65th Street LRT station for the Sac State Tram, shortening ride times, thereby potentially increasing ridership. If the Sac State Tram has to use the new entrance at Ramona, it will be at risk of delays due to congestion on Folsom. In March 2006, Sac State was awarded $924,000 through the

SACOG Community Design Program to do design and engineering work, including route specifications, in preparation for construction of the Tram.

Figure 6.2



Source: FFA Architects

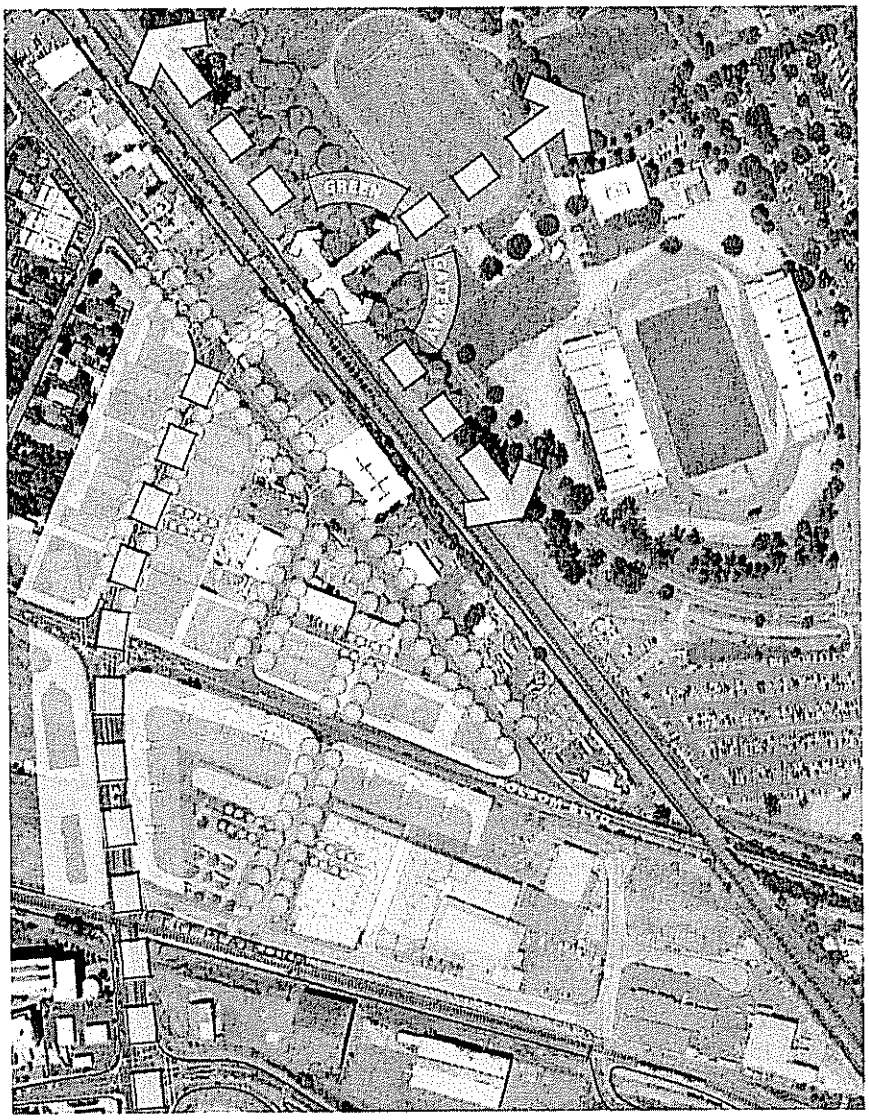
The implications of a full entrance are significant:

- It is much more than just a new entrance – it will require reconsideration of the land uses on each side of the tunnel. On the Transit Village side, it will mean redevelopment along 65th that is more true to the vision of a University Main Street. Likewise, on the campus side, it will mean that Sac State must re-plan the athletic facilities in order to accommodate a new entrance and to create opportunities for signature buildings that create a distinctive entrance.

- The new entrance should also be built to serve the Sac State Tram, a bus rapid transit system currently in the planning stages. Given that Sac State is the largest traffic generator in the Transit Village, a transit connection between the campus and the 65th Street LRT station could have significant impacts on reducing trips and managing future growth.

- A new entrance must be part of a broader parking and transportation strategy for the university. Merely opening an entrance to allow access to more parking will not improve the situation. A comprehensive look at increasing transit ridership on campus, managing parking supply and demand, and the surrounding traffic situation must be a part of the new entrance strategy. The major public investments required to implement this plan must be met with supportive policies and plans from all public and private partners in the Transit Village area.

Figure 6.3



Source: FFA Architects

7. Action Plan Roadmap

Achieving the vision for the Station Block and the entire Transit Village is clearly more than simply the answer to what happens on any single specific property. As this study has shown, the interrelationships between land uses and, more importantly, the public streets and sidewalks that connect them, define what is possible. This study has identified a number of critical issues that must be addressed in order for the vision to be achieved and it has explored some possibilities that are exciting and should be studied further. The following action plan identifies some of the key steps that should be pursued in the short term.

1. Circulation Study – Many of the planned transportation improvements in the study area respond to projects and demand located outside the Transit Village. In order for the vision to succeed, transportation improvements must be designed to prioritize the creation of a pedestrian-oriented transit village above the need to mitigate traffic impacts. Further, there are potential transportation improvements that could achieve this vision while improving traffic flow and connectivity. These alternatives need much more study to determine whether they are feasible, and, if so, what the costs might be. To this end, the City pursued, and won, a SACOG Community Design Program grant in the amount of $885,000 to reevaluate the current plans and identify alternatives. This circulation study should be done in cooperation with all relevant City agencies as well as with the participation of key property owners such as Sac State. Elements that should be studied further include, at a minimum:

    a. Impacts of a new entrance to the 65th and Folsom intersection;

    b. Reevaluate the need for a widened rail undercrossing on Folsom;

    c. Relocation options for RT transit center, including on-street solutions;

    d. Integration of the Sac State Tram into the street network and LRT station;

    e. Intersection location of Elvas and Folsom;

    f. Confirm whether Ramona can still be extended under US-50 without widening Folsom Boulevard;

    g. Street widths and pedestrian-oriented streetscape improvements that allow for on-street parking and wide sidewalks on both 65th and Folsom;

h. Bike lanes throughout the Transit Village;

i. Potential new crossings of LRT tracks on Q Street;

j. Impacts of Redding Avenue improvements and overall connectivity from south of Highway 50 to the Transit Village and Sac State; and

k. Impacts of these changes to existing environmental impact documents.

2. Sac State Partners Group – Already, an ad-hoc group of leaders from Sac State, the City, and regional agencies have met to begin discussions of how a new entrance to the campus might benefit the district and how it might be implemented. This type of public-public partnering is the key to implementation. There will be challenging issues, needs for leadership, and other issues that cannot be discussed in a vacuum. This group should continue to meet regularly to coordinate the efforts of each party and to build on the momentum that is already underway. The group should also select a champion to be the leader of efforts to implement the Station Block strategy – someone to take the lead on organizing stakeholders, seeking funding, coordinating implementation actions, and other tasks

3. Build the Sac State Tram – The Sac State Tram (SST) will be a bus rapid transit (BRT) system that will connect the 65th Street LRT station with Sacramento State and will serve as an on-campus circulator once on campus. Given future growth projections for the university, a transit system that makes the LRT station a feasible transportation alternative is the only way to accommodate the growth without massive new investments in parking and road capacity. By opening up the campus to the Transit Village, the SST will make it easy for students to patronize Transit Village merchants and rent apartments there, while also allowing the community at-large to access the many planned public facilities on campus

Once the above elements are well underway, actual redevelopment of the Station Block will be more feasible. Given that some of these changes may take three to five years or more to implement, the following actions should be considered as longer-term initiatives:

4. Reevaluate Certain Transit Village Plan Elements – Certain elements of the existing 65th Street Transit Village Plan may need adjusting to achieve the vision and should be studied further. Specifically:

   a. Zoning of the Station Block – Currently, the Station Block has a mixed-use overlay, but it is oriented towards commercial uses

on the west and residential uses on the east. While flexible, the split zoning on the Station Block may become an issue if properties can be aggregated into larger projects. Further, the maximum density of 60 housing units per net acre may be too low given likely future market conditions

b. Parking Standards – The parking standards of the Transit Overlay district are generally quite supportive of a pedestrian-oriented design. However, the residential parking standards require a minimum of one parking space per unit plus some guest parking. In well transit-served urban locations, especially adjacent to a major university, residential parking ratios can successfully be as low as 0.7 or 0.8 parking spaces per unit. Allowing for lower residential parking densities could significantly lower the costs of development, making new investment more feasible

5. Assemble land at the Station Block – The fractured ownership of the site will mean that redevelopment will be small and piecemeal if some sort of aggregation of property is not made. This can be done either through outright acquisition or through any number of public-private partnerships, where current property owners could lead or be financial partners in a redevelopment of the site.

6. Conduct more detailed site and financial analyses – This report describes, at a conceptual level, what is possible at the Station Block. Once more is known about the road improvements, future market conditions, and willingness of property owners to participate, a more detailed development feasibility study should be conducted. This should include market research to confirm the mix of uses, more detailed site analyses to determine design and cost factors, a more specific assessment of zoning and parking standards, and a preliminary financial analysis to create ballpark estimates for project value, land pricing, and required subsidy, if any

7. Recruit a developer – When the project is ready to move forward and the more detailed site and market research is complete, the project will be ready for development. SHRA should coordinate a request for qualifications (RFQ) process to select a financially capable and qualified developer to design and build a mixed-use project. The RFQ selection criteria should include the principles and visions contained in this report and previous plans and should focus on selecting a developer who has a demonstrated track record of successfully delivering innovative projects through public-private partnerships.

Appendix A

Goals from the 65th Street/ University Transit Village Plan

1. Create a safe, lively University Mixed Use District that serves the surrounding East Sacramento Neighborhood.

2. Balance residential, retail, and employment opportunities near the 65th Street station.

3. Provide incentives to support new urban mixed uses that support transit ridership.

4. Establish urban densities and development standards for residential and commercial development that supports transit use.

5. Allow retention and continued operation of existing industrial and service oriented uses.

6. Allow for a mix of community and neighborhood uses that will serve the residential, employee, and student population of the area.

7. Create opportunities for new residential development that can reinforce and extend the adjacent East Sacramento neighborhood as a place to live.

8. Provide for a range of housing types that meet the needs of a diverse population.

9. Provide on-site common areas, private open space, and community facilities to meet the needs of residents and to serve Transit Village patrons.

10. Promote a relationship to the natural environment and increase human comfort through the use of appropriately suited vegetation.

11. Create neighborhood identity through consistent design, scale, and mass, using quality materials and appropriate styling.

12. Promote energy efficient design and resource conservation within the district.

13. Design buildings to integrate with their surrounding context in terms of function, scale, and massing.

14. Within the Superblock and Triangle sites along 65th Street and Folsom Boulevard, ensure an appropriate scale, use, and height transition to the adjacent East Sacramento neighborhood and compatibility and avoidance of conflicts with existing industrial and service oriented uses

15. Create a lively, pedestrian oriented public environment by clearly defining public areas, increasing safety, and adding interest to building frontage.

16. Facilitate pedestrian movement by limiting distance of travel and increasing comfort.

17. Develop a connected network, rather than isolated nodes of public open space.

18. Ensure ease of circulation by providing concise and accessible directional information.

19. Limit and screen parking to reinforce the overall transit and pedestrian orientation of the 65th Street Station project and the desired urban densities.

20. When undertaking building expansions, exterior modifications or changes to other uses, guide the building conversion to assure compatibility with future pedestrian oriented mixed uses.

21. Provide for clear, safe, and convenient access between and through developments.

22. Ensure a balanced circulation system for vehicles, pedestrians and bicyclists to create attractive, convenient and safe movement to, from, and throughout the Transit Village area

23. Transform 65th Street into a village main street.

24. Adopt new street sections for the 65th Transit Village area to promote a balanced transportation system and direct pedestrian access to the area

25. Work with Regional Transit to increase access to the light rail/bus transit station at 65th Street.

26. Ensure a balanced approach to resolving drainage and sewer issues throughout the Transit Village area.

27. Reduce urban runoff.

Appendix B
Site Planning Exercises

The Station Block exists within a rapidly changing district in a growing part of the City. Many factors will influence the type of development that occurs at the Station Block. These factors occur externally to the Station Block, adjacent to the site, and internally.

- External factors include the amount of "University Village" type development that occurs in the greater 65th Street Transit Village District and changes to the larger circulation network;
- Adjacent factors include the type of improvements made to Folsom Boulevard and 65th Street; and
- On-site factors include the availability of properties for redevelopment and the location of any future street connections.

Prior to reaching the preferred development program, the consultant team evaluated these conditions and potential alternatives in a series of exercises at the June 2005 workshop and in follow up work sessions. The following section describes the issues that were explored along with a series of alternatives, the pros and cons of each, and a recommendation of the preferred solution.

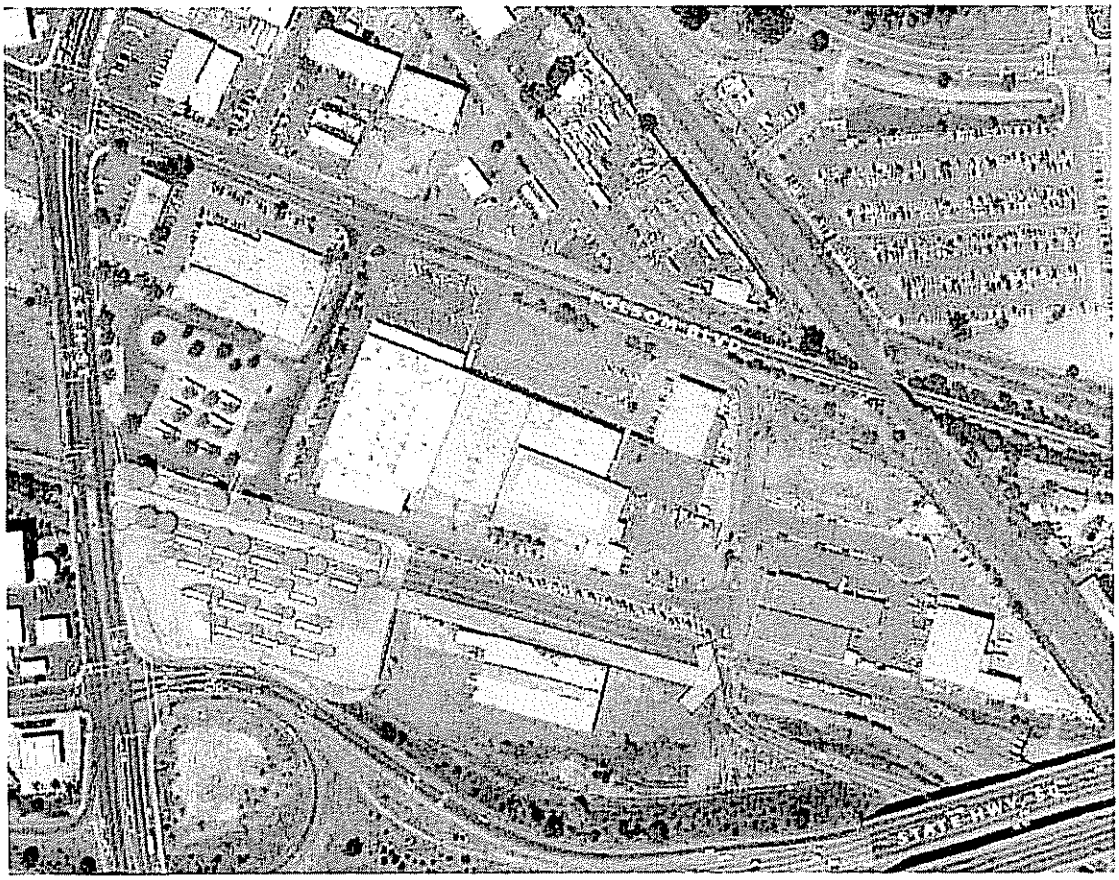
RT Bus Intermodal Facility Location

The RT bus intermodal facility is approximately 2.5 acres in size, making it one of the largest land holdings and a significant redevelopment opportunity. The facility is one of the most important intermodal centers in the region, connecting nine bus lines. All of these lines terminate at 65th, each requiring a dedicated bay. The bus intermodal facility must also serve as a turnaround, allowing seamless access from all directions and protected left turns.

While the bus intermodal facility works fairly well from a transit operational perspective, it works poorly from a pedestrian, real estate, or Place Making perspective. The facility consumes a large area of land, more than half of it used only for bus circulation or for no purpose at all. Any plan for the Station Block must maintain the functionality of the facility while improving the pedestrian orientation of the area and making more effective use of RT's land.

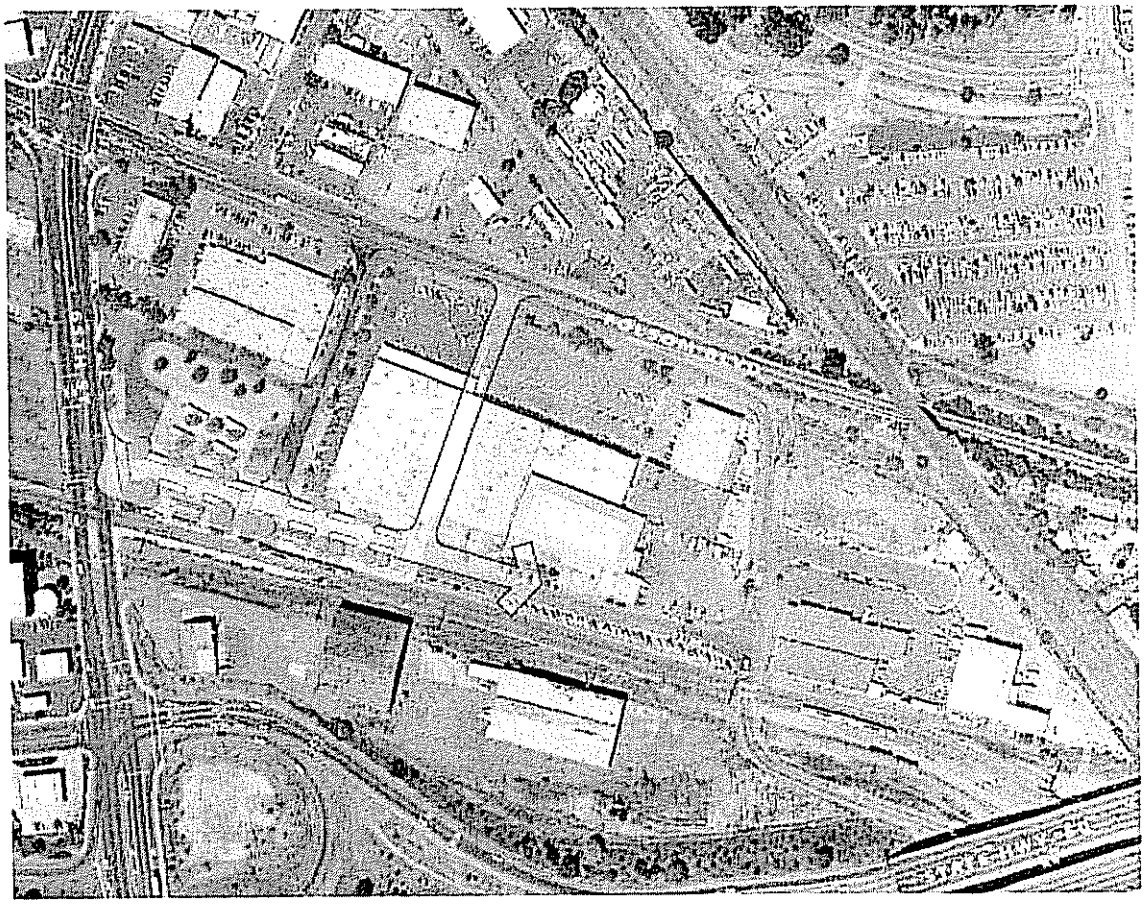
Alternatives to the existing facility layout include:

Alternative 1 Relocating the facility to the Jackson property site, adjacent to the freeway off ramp This option is not currently possible or likely due to development plans for the site by the property owner



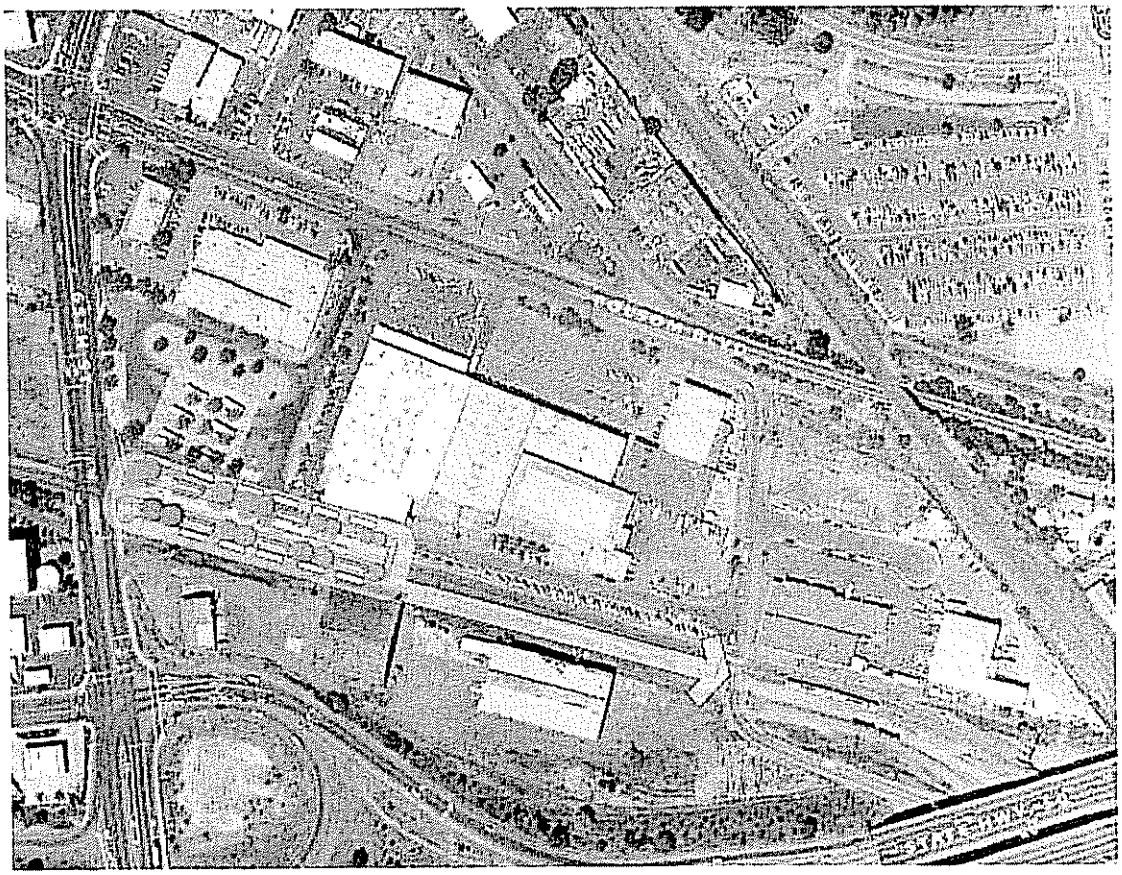
Pros	Cons
• Allows for complete redevelopment of RT's highly valuable parcel, swapping it for a parcel with lower development value; • Could enhance pedestrian safety; and • Allows for significant expansion of intermodal center capacity.	• Requires new at-grade crossing of LRT tracks; likely this would mean shifting the existing Redding crossing; • Buses approaching the intermodal from the north would be required to cross the tracks twice in each round trip, adding some delay; • Relocating to the Jackson site would require property acquisition or a land swap; and • Removes a highly visible corner parcel from development

Alternative 2 Bus transfers linearly within a redesigned Q Street right of way



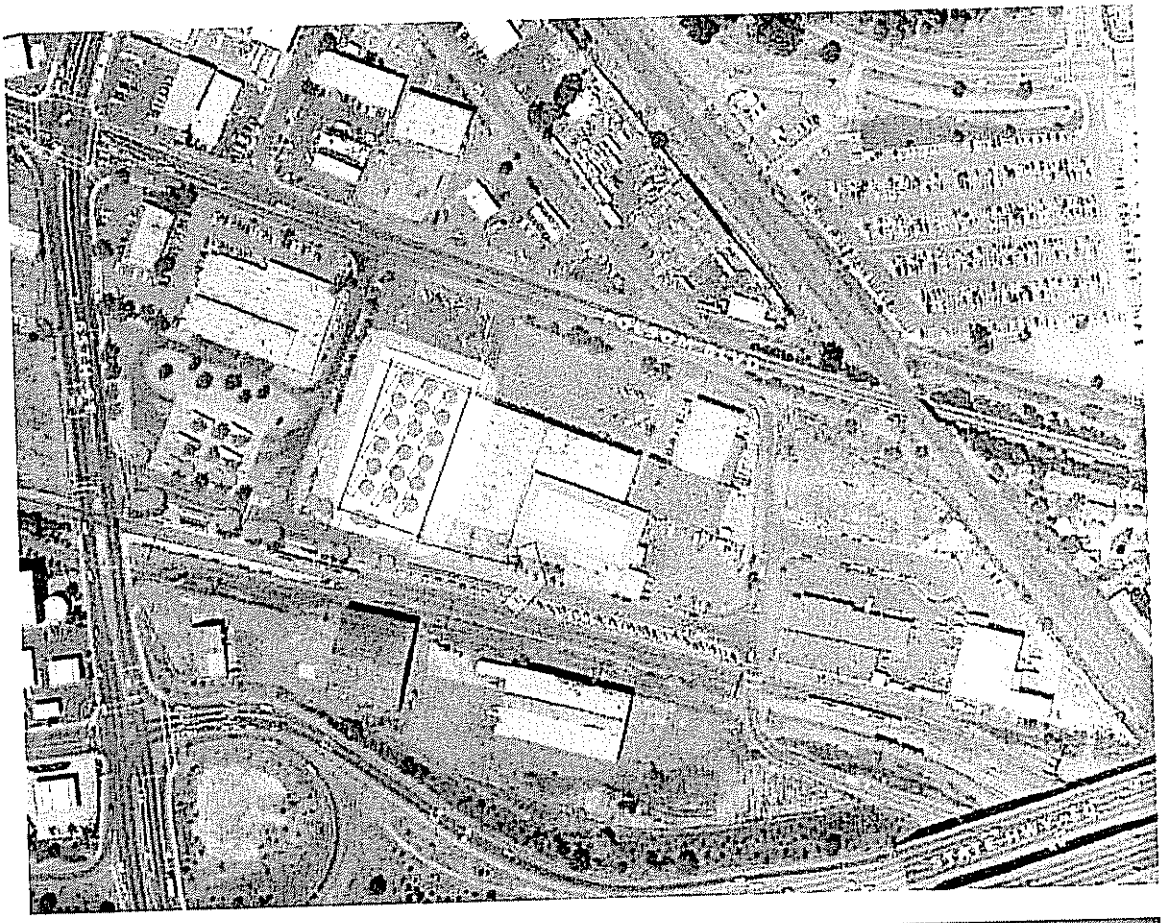
Pros	Cons
▪ On-street transferring would free up the RT site for development; ▪ Would not require additional (or relocated) RT track crossing; ▪ Allows for increase in bus bays; and ▪ Least costly solution because no land is required for intermodal	▪ On-street transferring would lengthen walking distances for some bus-to-bus transfers; ▪ Requires connection through Station Block to new traffic light at Elvas and Folsom; ▪ On-street parking would be eliminated for a long stretch of Q Street; ▪ All buses mix with general traffic, resulting in delays for buses and potential safety issues; and ▪ Many bus patrons required to cross Q Street

Alternative 3 Bus transfers linearly on both the north and south sides of the tracks.



Pros	Cons
▪ Would enhance pedestrian safety by not having to cross Q Street; ▪ Cost efficiency because no property acquisition may be necessary; and ▪ Allows for increase in bus bays.	▪ Reduces development potential; ▪ Decrease in pedestrian safety since street crossings would be required for bus-rail transfer; and ▪ Creates perception of unsafe pedestrian space due to limited visual access

Alternative 4 Relocating the facility elsewhere on the Station Block



Pros	Cons
▪ Centralized transferring would free up the RT site for development; ▪ Would not require additional (or relocated) RT track crossing; ▪ Allows increase in bus bays; and ▪ Could enhance pedestrian safety at Q Street	▪ Minor increase in walking distance for some bus-rail transfers; and ▪ Relocating to the new site would require property acquisition or a land swap

Development of Air Rights Over Existing Facility

It was also considered whether it would be feasible for RT to keep the existing facility where it is and to build a mixed-use development over the facility by selling or leasing the air rights. This solution was considered briefly, but is not feasible for a number of reasons:

- There are few examples in the country of successful development above a bus facility and even fewer for locations outside of a downtown;
- Construction costs would be very high due to the need to elevate the second floor well above the height of the buses;
- The noise from idling buses could make it difficult to attract tenants, harming the ability to finance the project;
- A covered bus facility, while protected from the elements, would have design challenges to ensure a sense of safety;
- The added costs and complexity of development would not likely be reflected by any increase in land values or lease rates; and
- The open bays of the facility would break up the continuous building frontage desired in a pedestrian village

Bus Transfer Facility Recommendation

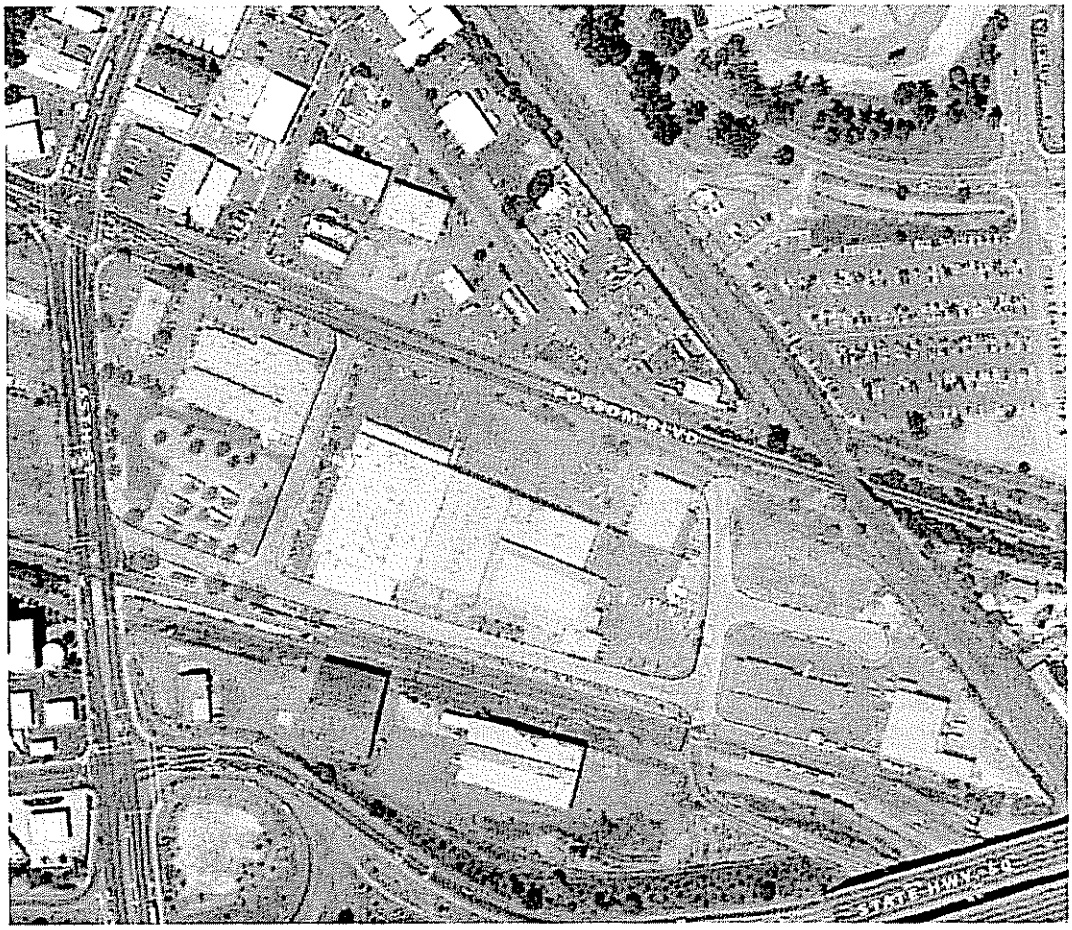
Acknowledgement of the high value for redevelopment of RT's existing site is the basis for considering any alternative location at all. With frontage on 65th Street and the size of the parcel, the RT parcel must be a part of any redevelopment alternative for the west end of the Station Block. Further traffic, operational, and cost analyses must be performed to fully evaluate the opportunities and constraints of these alternatives. At the conceptual level, Alternatives 1 and 3 provide the greatest opportunities to improve the pedestrian experience and maximize development opportunities at the Station Block. Both alternatives eliminate the need for pedestrians to cross Q Street when transferring from buses to trains, and both minimize the amount of street frontage and on-street parking that would be lost to bus parking

Grid Structure of Redesigned Station Block

As discussed earlier, the Station Block is in a part of Sacramento that has very little connectivity outside of a few major arterials and Highway 50. A more complete street grid not only creates additional traffic capacity, but it creates more "front doors" for properties, thereby enhancing development opportunities.

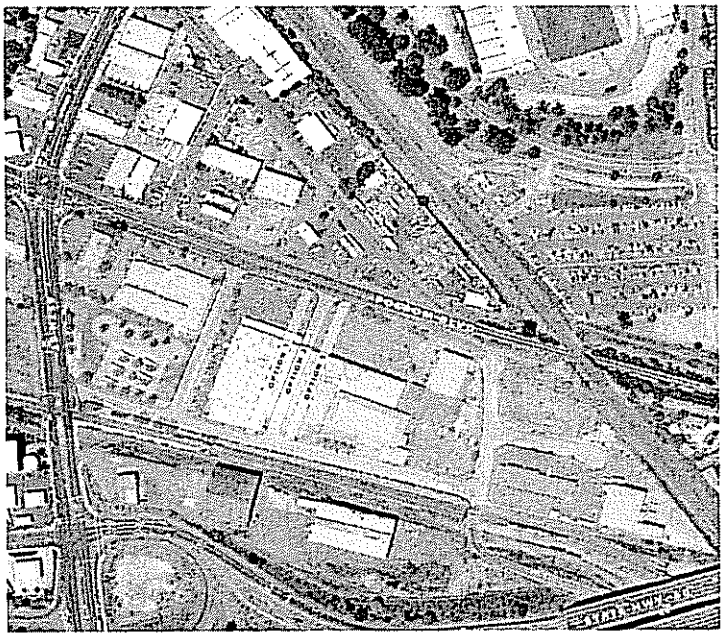
Creating a better connection from Elvas Street to Folsom Boulevard is a key component of the Folsom Boulevard Improvements Project. Continuing this connection across Folsom into the Station Block would allow for even greater connectivity and would maximize the use of a new signalized intersection. The location of the connection could vary depending on the availability of land on the Station Block as well as on the triangle-shaped block on the north side of Folsom.

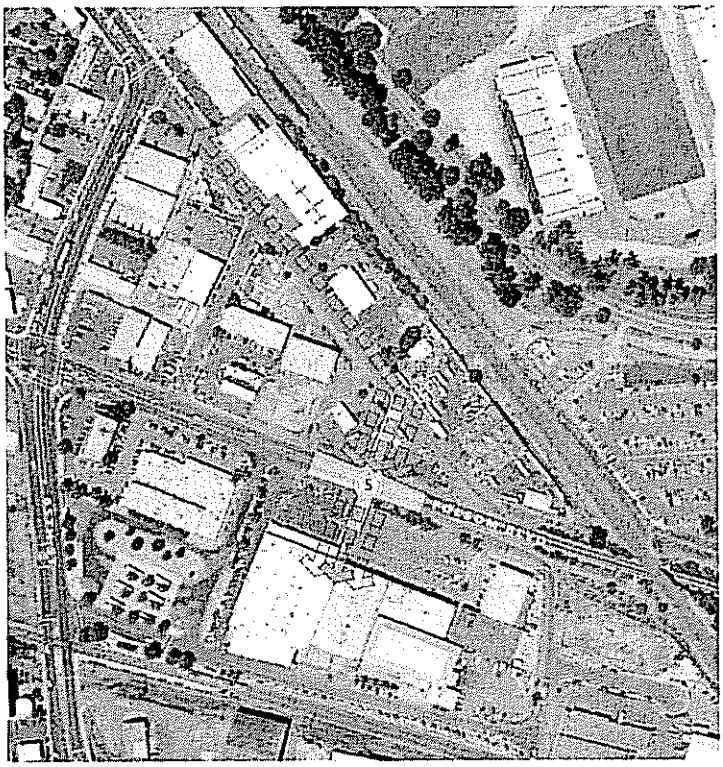
Alternative 1 Maintain existing streets with improvements to east-west connectivity (arrows) built over time as property redevelops.



Pros	Cons
• Low cost by utilizing existing streets; • No land assembly / ownership consolidation required; • Improvements can be made and financed as redevelopment occurs; and • Minimizes impacts to existing businesses.	• Maintains existing auto-oriented, super-block (400'x700') development pattern – large-scale office, service commercial, etc.; • Buildings fronting to surface parking; • Poor connectivity, pedestrian access, and safety; • Minimal opportunity for sidewalk oriented retail; • Disassociates circulation within the Station Block from the discussion of a new Elvas Street intersection; and • Non-compliance with the Section C Goals and Policies of the Transit Village Plan.

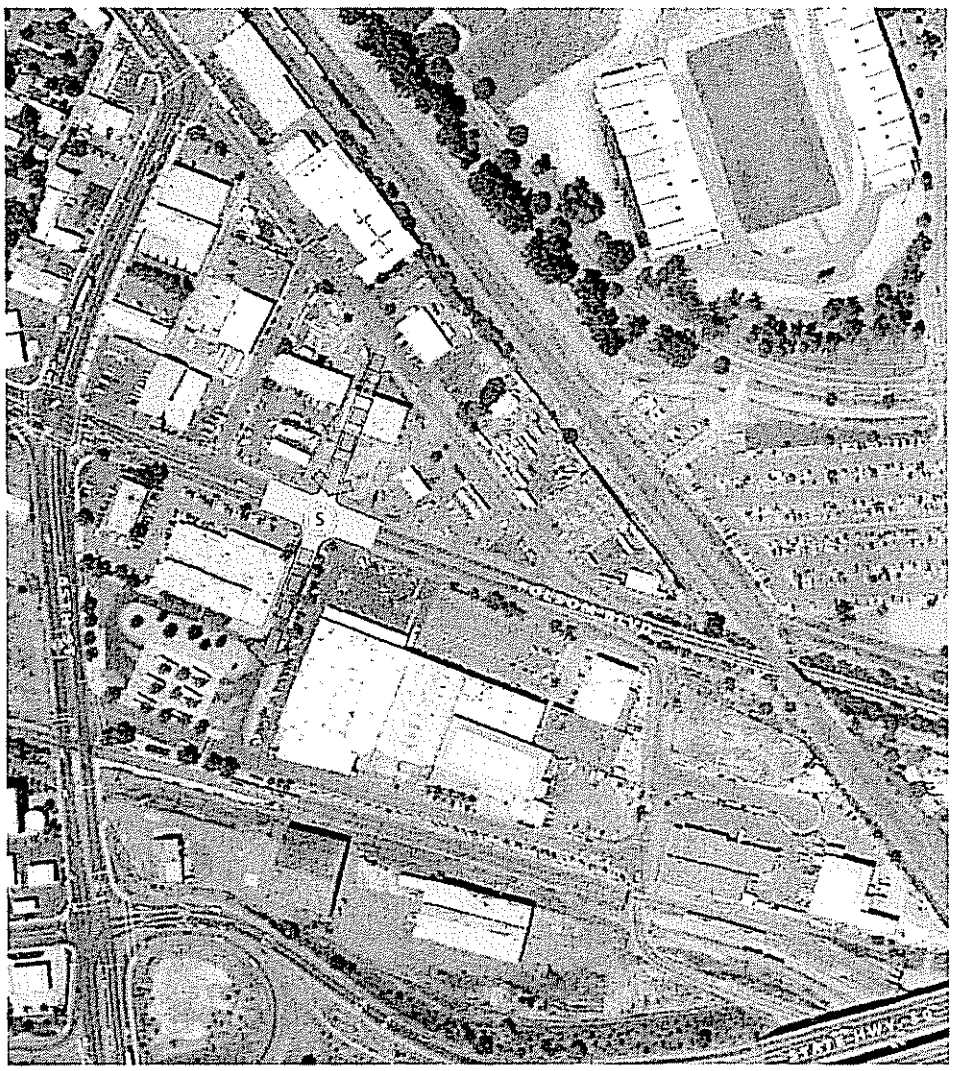
Alternative 2 In addition to the east-west connectivity of Alternative 1, build a north-south street with three optional alignments, which can vary based on property availability and the alignment of a future Elvas Street intersection.





Pros	Cons
• Enhances north-south street connectivity – from RT platform to the heart of the Transit Village and Sacramento State campus; • Introduces internal street grid – 200'x400' blocks – maximizing potential for retail frontage, pedestrian-scaled streetscape, well activated public spaces, etc.; • Reduces traffic congestion by increasing local circulation options; • Good signal spacing on Folsom – 700' from 65th Street/Folsom; • Adequate storage on realigned Elvas – 150'; • New intersection provides direct access to center of Station Block creating four sub-blocks; and • Minimal impacts to existing businesses north of Folsom.	• Increases development costs by adding infrastructure; • Impacts to local business – tear-down, adaptive reuse, etc ; and • Requires ownership consolidation or land swap; • Potentially access constrained remainder parcel – northeast corner of new intersection; and • Cost associated with Elvas Street extension to Folsom.

Alternative 3 Create a crossing farther westward at the existing access road into the Station Block



Pros	Cons
• Sufficient signal spacing on Folsom – 500′ from 65th Street/Folsom; • Creates additional frontage on Elvas extension – 300′ block; and • New intersection aligns with existing street on station block creating three sub-blocks	• Creates large remainder parcel – northeast corner of new intersection; • Greater impacts on existing businesses north of Folsom; • Cost associated with Elvas Street extension to Folsom; and • Creates one fewer sub-block than other alternatives

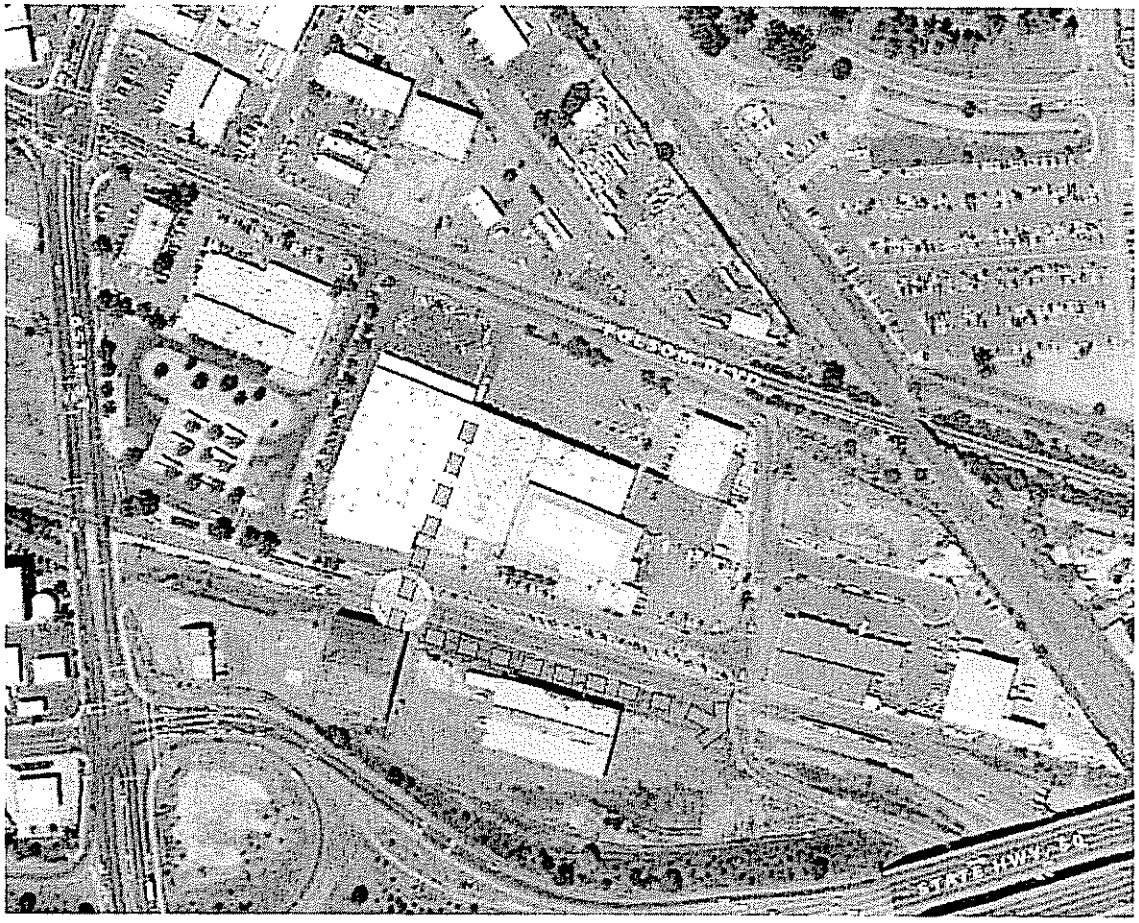
Grid Structure and Elvas Crossing Recommendation

Alternative 2 would establish the best potential grid structure for the Station Block while also maximizing flexibility and connectivity to a future Elvas Street connector. While it would require property acquisition, this could be phased in over time as property redevelops or becomes available. The most important aspect to the alternative is that it would create a mid-block connection across Folsom Boulevard, enhancing pedestrian connectivity, "pulsing" traffic through signalization, and creating more of a multi-block rather than super-block feel. Due to the complex interactions of new intersections, future development, and traffic flow, these alternatives should be studied further as part of a Transit Village traffic analysis.

Crossing of RT Tracks at Q Street

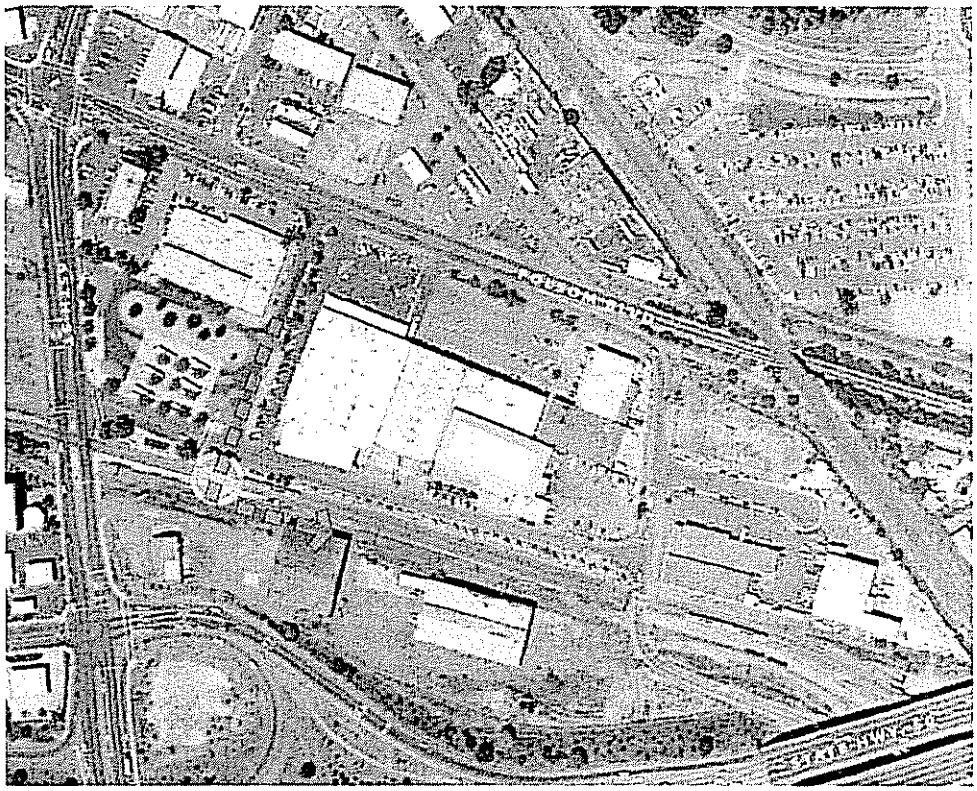
Possibly in combination with a new street connected to the Elvas crossing at Folsom, a new crossing of the RT tracks at Q Street could further enhance connectivity. This crossing could be in lieu of or in addition to the existing crossing at the east end of Q Street. A new crossing could enhance connectivity to a bus transfer center if it were located south of the LRT platform.

Alternative 1 Crossing at the east end of the RT platform.



Pros	Cons
• Enhances north-south connectivity to Station Block and heart of Transit Village; • Enhances east-west connectivity through Jackson property; and • Minimizes impact to existing RT platform.	• Expense associated with new crossing of RT tracks; and • Aligns best with Grid Structure Alternative 2 – requiring ownership consolidation or land swap.

Alternative 2 Crossing at east end of existing RT transfer lot, coinciding with the existing street.



Pros	Cons
• Enhances north-south connectivity to Station Block and heart of Transit Village; • Enhances east-west connectivity through Jackson property; and • Minimizes infrastructure costs by aligning with existing Station Block street grid	• Cuts through existing platform requiring re-construction; • Constrains future expansion of platform; • Aligns best with Grid Structure Alternative 1 – larger block pattern; and • Aligns best with Elvas Street crossing Alternative 2 – fewer internal sub-blocks (3 instead of 4)

Track Crossing Recommendation

The crossing of the RT tracks, if moved from its current location, should primarily be a factor of how it supports other Station Block elements such as the relocation of the bus facility or a new mid-block connector to Elvas Street Therefore, there is no recommended alternative here, but it should be studied further in conjunction with the other elements

RESOLUTION NO. 2006 -

Adopted by the Redevelopment Agency of the City of Sacramento

on date of

AUTHORIZE EXECUTIVE DIRECTOR TO AMEND AGENCY BUDGET, APPROPRIATE FUNDS AND EXECUTE INDIVIDUAL PROJECT AGREEMENT

BACKGROUND

A. In 2002, the City of Sacramento adopted its 65th Street/University Transit Village Plan, which included various transportation mitigation measures that would be implemented as desired development activity ensued.

B. The 2004 adoption by the City of Sacramento of the 65th Street Redevelopment Area included the area covered by the 65th Street/University Transit Village Plan as well as approximately 605 additional acres of land south of Highway 50.

C. Adoption of the redevelopment project area created the opportunity to use tax increment funding for necessary planning efforts and for desirable development activities.

D. The consultant report recommends that a number of planned transportation mitigations would be detrimental to the City's redevelopment objectives for the area covered by the 2002 Transit Village Plan.

E. The City successfully applied for Community Design Grant funding from the Sacramento Area Council of Governments (SACOG) to implement a new circulation study for the Transit Village and project area (Study).

F. The 65th Street Redevelopment Advisory Committee has recommended the use of 65th Street tax increment funds to comply with SACOG's local match requirement to finance the Study.

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

Section 1. All of the evidence presented having been duly considered, the findings, as stated in the staff report that accompanies this resolution, are approved. The Study will analyze and recommend modifications to the 2002 EIR for the 65th Street/University Transit Village Plan consistent with CEQA Section 15163.

Section 2. In accordance with California Redevelopment Law Section 33445, the Agency further finds and determines that:

(a) The Study will benefit the project area and adjacent neighborhoods by recommending appropriate mitigation measures to facilitate automobile, transit, pedestrian and bicycle circulation in a manner that is consistent with transit village urban design goals adopted for the project area.

(b) No other reasonable means of financing the Study is available to the community.

(c) The payment of the cost for the Study is consistent with the project area implementation plan and will assist in eliminating blighting conditions that include inadequate, outmoded transportation and utility infrastructure that prevents achievement of the implementation plan by limiting redevelopment of underutilized properties to create the densities and mix of land uses in the implementation plan.

Section 3. The Executive Director is authorized to amend the Agency's budget to allocate $114,700 of 65th Street tax increment to the Project.

Section 4. The Executive Director is authorized to execute an Individual Project Agreement with the City of Sacramento to implement the Project.