



REPORT TO COUNCIL City of Sacramento

915 I Street, Sacramento, CA 95814-2604
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PUBLIC HEARING
November 21, 2006

Honorable Mayor and
Members of the City Council

Title: Transit Village Development District Designation at Railyards

Location/Council District: East of Sacramento River, just north of the Central Business District in Downtown Sacramento - Council District 1

Recommendation: Conduct a public hearing and upon conclusion, adopt a **Resolution** designating the Railyards as a transit village development district and declaring the Railyards Specific Plan as the Railyards Transit Village Plan.

Contact: Azadeh Doherty, Principal Planner, Dept. of Transportation, 808-3137;
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Presenters: Carol Shearly, Director of Planning

Department: Planning & Transportation

Division: New Growth & Office of the Director

Organization No: 4913 & 3416

Description/Analysis:

Issue: Territory within a transit village development district for which a transit village plan has been adopted is eligible for "transit oriented" development transportation funding. Portions of the Railyards development area are located within a ¼ mile of transit stations and qualify to be included in a transit village development district. In addition, under Government Code section 65460.11, the City Council may designate the Railyards Specific Plan as a transit village plan if it acts prior to December 31, 2006. Establishing the district and adopting the plan will make the area eligible for current and future "transit oriented development" transportation funding. Staff will evaluate the possibility of designating other locations as transit village development districts.

Policy Considerations: Designating the Railyards development area as a transit village development district and the Railyards Specific Plan as a transit village plan is consistent with the following goals of the City's Strategic Plan: 1)

achieve sustainability and livability; 2) increase opportunities for all Sacramento residents to live in safe and affordable housing; and, 3) expand economic development throughout the City.

Environmental Considerations: Approval of the resolution to designate the Railyards as a transit village development district and the Railyards Specific Plan as a transit village plan does not have the potential to cause a significant negative effect on the environment and is, therefore, exempt under CEQA Guidelines, Categorical Exemption Section 15061(b)(3) of the California Environmental Quality Act. However, the Railyards development will be subject to environmental evaluation under CEQA Guidelines.

Rationale for Recommendation: The Railyards development area qualifies as a transit village development district. The 240-acre property is well recognized historically and currently as a transportation hub. This site contains an existing multi-modal transfer facility that offers linkages among all modes of public transit including: intercity rail, commuter rail, light rail, intercity bus service, regional bus service and other transit services. In addition, the planned extension of light rail from this facility to the Sacramento International Airport (Downtown Natomas Airport Alignment) will further strengthen the potential of this area to be developed with transit village objectives. The first phase of the Downtown Natomas Airport extension is expected to be in operation by 2010.

Under Government Code section 65460.2, a transit village plan adopted for a transit village development district is to address a list of characteristics that are aimed at making development around the transit station convenient and attractive to the use of transit. In addition, the plan must demonstrate at least five of thirteen specific benefits to the public beyond an increase in transit usage. The existing Railyards Specific Plan, adopted on December 13, 1994 (Resolution no. 94-736) satisfies these criteria and five of the thirteen public benefit criteria and, therefore, is eligible to be declared a transit village plan.

Designating the Railyards as a transit village development district is also consistent with the ongoing planning efforts by Thomas Enterprises and the City for the Railyards.

Financial Considerations: Approval of the resolution will have no direct financial impacts.

Emerging Small Business Development (ESBD): The ESBD requirements do not apply to this subject.

Approved by: Carol Sheary
Carol Sheary
Director of Planning

Approved by: Francesca Halbakken
Francesca L. Halbakken
Operations Manager, Planning & Policy
Department of Transportation

Approved by: Jerry Way
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Director of Transportation

Recommendation Approved:

Ray Kerridge
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City Manager

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Attachment 1**BACKGROUND**

California's Transit Village Development Planning Act of 1994 ("Act"), Government Code section 65460 et seq., was enacted to promote transit ridership within the state and to reduce vehicle traffic on highways. To achieve this goal, the Act allows cities to designate land "within not more than a quarter mile of the exterior boundary of the parcel on which is located a transit station" as transit village development district (Government Code section 65460.4). The Railyards is an ideal place to establish a transit village development district as the City's proposed Intermodal Facility is an integral part of the Railyards' current and future mixed-use development plan. In establishing a transit village development district at the Railyards, the City will be eligible for increased transportation funding and assistance from the Office of Permit Assistance to establish an expedited permit process.

Under Government Code Section 65460.2, a city or a county may prepare a transit village plan for a transit village development district that addresses the following characteristics:

- (a) A neighborhood centered around a transit station that is planned and designed so that residents, workers, shoppers, and others find it convenient and attractive to patronize transit.
- (b) A mix of housing types, including apartments, within not more than a quarter mile of the exterior boundary of the parcel on which the transit station is located.
- (c) Other land uses, including a retail district oriented to the transit station and civic uses, including day care centers and libraries.
- (d) Pedestrian and bicycle access to the transit station, with attractively designed and landscaped pathways.
- (e) A transit system that should encourage and facilitate intermodal service, and access by modes other than single occupant vehicles.
- (f) Demonstrable public benefits beyond the increase in transit usage, including any five of the following:
 - (1) Relief of traffic congestion.
 - (2) Improved air quality.
 - (3) Increased transit revenue yields.
 - (4) Increased stock of affordable housing.
 - (5) Redevelopment of depressed and marginal inner-city neighborhoods.
 - (6) Live-travel options for transit-needy groups.
 - (7) Promotion of infill development and preservation of natural resources.

- (8) Promotion of a safe, attractive, pedestrian-friendly environment around transit stations.
- (9) Reduction of the need for additional travel by providing for the sale of goods and services at transit stations.
- (10) Promotion of job opportunities.
- (11) Improved cost-effectiveness through the use of the existing infrastructure.
- (12) Increased sales and property tax revenue.
- (13) Reduction in energy consumption.

(g) Sites where a density bonus of at least 25 percent may be granted pursuant to specified performance standards.

(h) Other provisions that may be necessary, based on the report prepared pursuant to subdivision (b) of former Section 14045, as enacted by Section 3 of Chapter 1304 of the Statutes of 1990.

Government Code section 65460.11 allows a city to declare any portion of a specific plan or redevelopment plan adopted prior to January 1, 2006 and that meets the requirements of section 65460.2, a transit village plan.

The existing Railyards Specific Plan, adopted on December 13, 1994 (Resolution no. 94-736) meets these requirements. The Specific Plan focuses on transit oriented development, with significant improvements to transit infrastructure within the Railyards development area. The Specific Plan contemplates an intermodal terminal "that can build upon the State's commitment to increased commuter and intercity service and the region's objective for an expanded light rail system." (Railyards Specific Plan and Richards Boulevard Area Plan Facilities Element, p. 7) Another objective contained in the Specific Plan is to "Reinforce downtown Sacramento as the regional transportation hub with improved light rail, intercity rail, commuter rail, intercity and local bus service." (Id.) In addition, the Railyards Specific Plan satisfies the provisions of section 65460.2(f) by satisfying five of the thirteen specific benefits to the public beyond increase in transit use. These are 1) relief of congestion, 2) improved air quality, 3) promotion of infill development, 4) pedestrian friendly environment around a transit station, and 5) increased sales and property taxes.

The current Thomas Enterprises proposal for the Railyards includes 10,000 residential units, over 3.9 million square feet of office space and approximately 1.3 million square feet of commercial retail space all located within a ¼ mile of either the Intermodal Facility or the future light rail stations along 7th Street (see Exhibit A). Adoption of the new plan, therefore, would be consistent with the designation of the area as a transit village development district.

In accordance with Government Code section 65460.11, a public notice was placed in the Daily Recorder a minimum of 10 days prior to the City Council public hearing date (November 21, 2006).

ATTACHMENT 2

CALIFORNIA CODES
GOVERNMENT CODE
SECTION 65460-65460.11

65460. This act shall be known, and may be cited, as the Transit Village Development Planning Act of 1994.

65460.1. (a) The Legislature hereby finds and declares all of the following:

(1) Federal, state, and local governments in California are investing in new and expanded transit systems in areas throughout the state, including Los Angeles County, the San Francisco Bay area, San Diego County, Santa Clara County, and Sacramento County.

(2) This public investment in transit is unrivaled in the state's history and represents well over ten billion dollars (\$10,000,000,000) in planned investment alone.

(3) Recent studies of transit ridership in California indicate that persons who live within a quarter-mile radius of transit stations utilize the transit system in far greater numbers than does the general public living elsewhere.

(4) The use of transit by persons living near transit stations is particularly important given the decline of transit ridership in California between 1980 and 1990. Transit's share of commute trips dropped in all California metropolitan areas--greater Los Angeles: 5.4 percent to 4.8 percent; San Francisco Bay area: 11.9 percent to 10.0 percent; San Diego: 3.7 percent to 3.6 percent; Sacramento: 3.7 percent to 2.5 percent.

(5) Only a few transit stations in California have any concentration of housing proximate to the station.

(6) Interest in clustering housing and commercial development around transit stations, called transit villages, has gained momentum in recent years.

(b) For purposes of this article, the following definitions shall apply:

(1) "Bus hub" means an intersection of three or more bus routes, with a minimum route headway of 10 minutes during peak hours.

(2) "District" means a transit village development district as defined in Section 65460.4.

(3) "Peak hours" means the time between 7 a.m. to 10 a.m., inclusive, and 3 p.m. to 7 p.m., inclusive, Monday through Friday.

(4) "Transit station" means a rail or light-rail station, ferry terminal, bus hub, or bus transfer station.

65460.2. A city or county may prepare a transit village plan for a transit village development district that addresses the following characteristics:

(a) A neighborhood centered around a transit station that is planned and designed so that residents, workers, shoppers, and others find it convenient and attractive to patronize transit.

(b) A mix of housing types, including apartments, within not more than a quarter mile of the exterior boundary of the parcel on which the transit station is located.

(c) Other land uses, including a retail district oriented to the transit station and civic uses, including day care centers and libraries.

(d) Pedestrian and bicycle access to the transit station, with attractively designed and landscaped pathways.

(e) A transit system that should encourage and facilitate

intermodal service, and access by modes other than single occupant vehicles.

(f) Demonstrable public benefits beyond the increase in transit usage, including any five of the following:

- (1) Relief of traffic congestion.
- (2) Improved air quality.
- (3) Increased transit revenue yields.
- (4) Increased stock of affordable housing.
- (5) Redevelopment of depressed and marginal inner-city neighborhoods.

(6) Live-travel options for transit-needy groups.

(7) Promotion of infill development and preservation of natural resources.

(8) Promotion of a safe, attractive, pedestrian-friendly environment around transit stations.

(9) Reduction of the need for additional travel by providing for the sale of goods and services at transit stations.

(10) Promotion of job opportunities.

(11) Improved cost-effectiveness through the use of the existing infrastructure.

(12) Increased sales and property tax revenue.

(13) Reduction in energy consumption.

(g) Sites where a density bonus of at least 25 percent may be granted pursuant to specified performance standards.

(h) Other provisions that may be necessary, based on the report prepared pursuant to subdivision (b) of former Section 14045, as enacted by Section 3 of Chapter 1304 of the Statutes of 1990.

65460.3. To increase transit ridership and to reduce vehicle traffic on the highways, local, regional, and state plans should direct new development close to the transit stations. These entities should provide financial incentives to implement these plans.

65460.4. A transit village development district shall include all land within not more than a quarter mile of the exterior boundary of the parcel on which is located a transit station designated by the legislative body of a city, county, or city and county that has jurisdiction over the station area.

65460.5. A city or county establishing a district and preparing a plan pursuant to this article shall:

(a) Be eligible for available transportation funding.

(b) Receive assistance from the Office of Permit Assistance, pursuant to Section 15399.53, in establishing an expedited permit process pursuant to Section 15399.50, at the request of the city or county.

65460.6. An agency responsible for the preparation and adoption of the congestion management program may exclude district impacts from the determination of conformance with level of service standards pursuant to subdivision (c) of Section 65089.3.

65460.7. (a) A transit village plan shall be prepared, adopted, and amended in the same manner as a general plan, except for plans qualified as transit village plans pursuant to Section 65460.11.

(b) A transit village plan may be repealed in the same manner as it is required to be amended.

65460.8. No transit village plan may be adopted or amended unless the proposed plan or amendment is consistent with the general plan.

65460.9. No local public works project may be approved, no tentative map or parcel map for which a tentative map was not required may be approved, and no zoning ordinance may be adopted or amended within an area covered by a transit village plan unless it is consistent with the adopted transit village plan.

65460.10. A city, county, or city and county may require a developer to enter into a development agreement pursuant to Article 2.5 (commencing with Section 65864) of Chapter 4 to implement a density bonus specified in the transit village plan pursuant to subdivision (g) of Section 65460.2.

65460.11. Any portion of a specific plan or redevelopment plan adopted prior to January 1, 2006, that conforms to the requirements set forth in Section 65460.2, as amended by Chapter 42 of the Statutes of 2004, may be declared a transit village plan by a city, county, or city and county if that entity does both of the following:

(a) After publishing a notice pursuant to Section 6061, in at least one newspaper of general circulation within the entity's jurisdiction at least 10 days prior to the public meeting, makes findings and declarations demonstrating the conformity of the existing plan to Section 65460.2, as amended by Chapter 42 of the Statutes of 2004. The notice shall state the entity's intent to declare a portion of the existing plan as a transit village plan, describe the general location of the proposed transit village plan, and state the date, time, and place of the public meeting.

(b) Takes action prior to December 31, 2006, to declare that the conforming plan constitutes its transit village plan.

ATTACHMENT 3**RESOLUTION NO.**

Adopted by the Sacramento City Council

**DESIGNATING PORTIONS OF THE RAILYARDS AS A TRANSIT VILLAGE
DEVELOPMENT DISTRICT AND DECLARING THE RAILYARDS SPECIFIC PLAN AS
THE RAILYARDS TRANSIT VILLAGE PLAN**

BACKGROUND

- A. California's Transit Village Development Planning Act of 1994 ("Act"), Government Code section 65460 et seq., was enacted to promote transit ridership within the state and to reduce vehicle traffic on highways. To achieve this goal, the Act allows cities to designate certain areas as transit village development districts and to adopt transit village plans for the districts. Cities establishing transit village development districts and adopting such plans are eligible for increased transportation funding and assistance from the Office of Permit Assistance to establish an expedited permit process.
- B. Government Code section 65460.4 states that Transit Village Development districts is limited to land within quarter mile of a transit station.
- C. A transit village plan may be prepared for each transit village development district that the City designates. Section 65460.2 of the Government Code requires transit village plans to feature several characteristics, including: (a) a neighborhood centered around a transit station that is planned and designed so that residents, workers, shoppers, and others find it convenient and attractive to patronize transit; other land uses, including a retail district oriented to the transit station and civic uses; (b) pedestrian and bicycle access to the transit station; (c) a transit system that should encourage and facilitate intermodal service, and access by modes other than single occupant vehicles; and (d) at least five demonstrable public benefits beyond the increase in transit usage. Government Code section 65460.11 allows a city to declare an existing specific plan adopted prior to January 1, 2006 and that meets the requirements of section 65460.2, a transit village plan. The adopted Railyards Specific Plan meets these requirements.
- D. The adopted Railyards Specific Plan meets five of the thirteen public benefit criteria identified in Government Code section 65460.2(f) in order to be designated as a transit village plan as follows: 1) relief of congestion, 2) improved air quality, 3) promotion of infill development, 4) pedestrian friendly environment around a transit station, and 5) increased sales and property taxes, including increased transit revenue yields, increased stock of

affordable housing, redevelopment of depressed and marginal inner-city neighborhoods and promotion of infill development and preservation of natural resources, and promotion of a safe, attractive, pedestrian-friendly environment around transit stations.

- E. The pending development proposal for the Railyards development area is centered on transit, and includes a new Intermodal Facility, improved rail and bus facilities, and pedestrian-friendly thoroughfares. Adoption of the new plan, therefore, would be consistent with the designation of the Railyards area as a transit village development district.
- F. The adopted Railyards Specific Plan must be declared a transit village plan by December 31, 2006 in order to be eligible for current and future transportation funding.
- G. The adopted Railyards Specific Plan serving as the Railyards Transit Village Plan is consistent with the City's General Plan.
- H. In accordance with Government Code section 65460.11, a public notice was placed in the Daily Recorder a minimum of 10 days prior to the City Council public hearing date, November 21, 2006.

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

- Section 1. In accordance with the California Transit Village Development Planning Act of 1994, the City Council designates portions of the Railyards development area as a transit village development district, the boundaries of which are set forth in Exhibit A.
- Section 2. In accordance with the California Transit Village Development Planning Act of 1994, the City Council declares that the existing Railyards Specific Plan adopted on December 13, 1994 (Resolution No. 94-736) meets the requirements of Government Code Section 65460.2, and therefore shall serve as the transit village plan for the newly established transit village development district at the Railyards.

Exhibit A – Area Map

