

Item No. 22

“To Be Delivered” Material

For

City of Sacramento

City Council

Housing Authority

Redevelopment Agency

Economic Development Commission

Sacramento City Financing Authority

Agenda Packet

Submitted: September 13, 2007

For the Meeting of: September 18, 2007

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

Subject: Northgate 880 / Panhandle - Public Hearing

Contact Information: Arwen Wacht, 808-1964; Michelle Skhal, 808-8704

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REPORT TO COUNCIL

City of Sacramento

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

Public Hearing
September 18, 2007

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

Title: Northgate 880 / Panhandle (M05-031 / P05-077)

Location/Council District: South of Elkhorn Boulevard, north of Interstate 80, west of Northgate Boulevard and Sorento Road, and east of Gateway Park Boulevard and the Northpointe Park Planned Unit Development / Adjacent to Council District 1

Recommendation:

- 1) Conduct a public hearing and adopt an intent motion:
 - a) 1) certifying the Environmental Impact Report and adopting the Mitigation Monitoring Program; and 2) approving the Reorganization;
 - b) 1) amending the General Plan Land Use Map; 2) amending the text of the North Natomas Community Plan; 3) amending the North Natomas Community Plan Land Use Map; 4) amending the Zoning Code (Sacramento City Code, Title 17); and 5) rezoning approximately 50 acres between Sotnip Road and Del Paso Road (M05-031 - Northgate 880);
 - c) 1) approving the Development Agreement between the City of Sacramento and Dunmore Land Company, LLC., the Richter-Kazer 1993 Irrevocable Trust, BD Properties, LLC, and Tasso Peter Cononelos; 2) approving the Development Agreement between the City of Sacramento and the Marie Krumenacher Trust, the Alice Krumenacher Trust, and Vaquero Land Holdings, LLC.; 3) approving the Finance Plan; 4) approving the Inclusionary Housing Plan (Panhandle North - Vaquero); 5) approving the Inclusionary Housing Plan (Panhandle Central and South - Dunmore); 6) approving the Inclusionary Housing Plan (Grant Joint Union High School District); g) amending the General Plan Land Use Map; 7) amending the text of the North Natomas Community Plan; 8) amending the North Natomas Community Plan Land Use Map; 9) rezoning the area south of Elkhorn Boulevard, north of Del Paso Road, and west of Sorento Road; and 10) establishing the Panhandle Planned Unit Development (PUD) (P05-077); and

d) denying the Appeal of the Planning Commission's approval of various entitlements and to approve the Tentative Master Parcel Maps, Tentative Subdivision Maps, and Subdivision Modifications for the Panhandle project (P05-077);

2) Continue the Tax Exchange Agreement as a part of the public hearing; and

3) Continue the public hearing to October 2, 2007 for final adoption.

Contact: Scot Mende, New Growth Manager, 808-4756; Arwen Wacht, Associate Planner, 808-1964

Presenters: Scot Mende and Arwen Wacht

Department: Planning

Division: New Growth

Organization No: 4913

Description/Analysis

Committee/Commission Action: On June 28, 2007, the Planning Commissioner voted to approve the staff recommendation with the following additions:

- **Inclusionary Housing Plan:** The applicants, staff, and SHRA shall continue working on an appropriate mix of ownership & rental housing types for the inclusionary housing units.
- **Drainage:** Condition the tentative map to require the developer to design and construct local drainage improvements consistent with the Agreement dated June 26, 2007 between Dunmore Homes and Valley View Acres Community Association.
- **Urban Design:** Amend the Planned Unit Development Guidelines to include the recommendations provided by the City's Urban Design staff on June 28, 2007.
- **Global Warming:** The developer shall offer photovoltaic (solar) panels and energy efficient products as optional features to homebuyers.
- **Street Tree Planting:** Amend the Planned Unit Development Guidelines to state that the final selection of street trees shall be subject to the approval of the City Urban Forester (Arborist).

On June 5, 2007, the Law & Legislation Committee recommended approval of the proposed Special Planning District Ordinance for the Northgate 880 SPD.

On July 5, 2007, project was called up by Councilmember Tretheway. On July 6, 2007, a third party appeal was filed by Brigit S. Barnes & Associates, Inc., on

behalf of Jim Gately (JB Properties). The appeal (see Attachment 3) speaks specifically to the environmental document and the overall project (not specifically the Tentative Maps and Subdivision Modifications).

On July 17, 2007, Planning staff presented a workshop on the Northgate 880 / Panhandle project to the City Council.

On July 24, 2007, the City Council was taken on a bus tour of the Northgate 880 / Panhandle area.

At the July 31, 2007 City Council hearing, the City Council directed staff to provide the City Council with a breakdown of the minimum entitlements necessary to move the annexation portion of the project forward to LAFCo and continued the project to August 14, 2007.

At the August 14, 2007 City Council hearing, the City Council indicated their intent to move the project forward with all entitlements for the area north of Del Paso Road, and to include the City's corporation yard and continued the project to the September 4, 2007 City Council meeting.

At the September 4, 2007 City Council hearing, the City Council provided the following direction and requests, and continued the project to the September 18, 2007 City Council hearing:

- Speed Bumps: Department of Transportation to provide an analysis on which proposed roadways may require speed bumps in the future (specific to the Panhandle project).
- Ownership Affordable Housing: The applicant shall provide a plan and cost figures for providing 15% of their 462 inclusionary housing units as ownership (69 ownership units).
- TMA: 25% build out of the Panhandle project will trigger the TMA shuttle. How will this affect the applicant (cost-wise)?
- Transit: With the \$1 million in Caltrans mitigation, how much will be put toward on-site transit services?
- Global Warming/Sustainability: Applicant shall provide a percentage of the units with the green technology as standard options.
- PUD Guidelines: Urban design guidelines should be incorporated into the proposed Panhandle PUD guidelines.
- Interface with Existing Development: The applicant has made a reasonable effort to address the concerns of the neighbors to the west (Regency Park / Natomas Park).
- Connections to Ueda Parkway: Would like to see how the school will access the wildlife area to the east. The houses along the levee and

wildlife area should provide amenities (windows, balconies, etc.) to take advantage of the view of the wildlife area.

- Villas Housing Type: Do not find acceptable. Urban Design Manager to review the Villas product type.
- Ag/Urban Buffer: Provide justification for the proposed deletion of the 250' buffer area along Elkhorn Boulevard, and identify the transition to the existing buffer areas to the west of the project site.
- Entitlement Packaging: Provide justification as to why staff proposes that all of the entitlements move forward rather than postponing entitlements not directly required to proceed with annexation.
- Flood Issues: Department of Utilities to provide an update to the City Council on FEMA / flood issues.

Staff analysis and response to these concerns are discussed in Report Attachment 1 – Background.

Summary: Planning staff is requesting that the City Council continue the Tax Exchange Agreement to October 2, 2007. Planning staff is also requesting that the City Council make an intent motion and continue the remaining entitlements to October 2, 2007.

Rationale for Recommendation: Overall, the revised proposals are consistent with the General Plan and North Natomas Community Plan policies on annexation, development, and land use.

Financial Considerations: The fiscal impacts of annexation cannot be gauged with accuracy until the tax exchange agreement with the County has been received. Assuming a standard 50% property tax split, the Panhandle PUD will result in a neutral / slightly positive fiscal impact. The Panhandle Finance Plan results in payment of fair share contributions to on-site and off-site public facilities including parks, roads, transit, drainage, sewer, and water.

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

Respectfully Submitted by: Scot Mende
Scot Mende
New Growth Manager

Approved by: Scot Mende for
Carol Shearly
Director of Planning

Recommendation Approved:

Ray Kerridge
Ray Kerridge
City Manager

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ATTACHMENT 1 - BACKGROUND

Speed Bumps: Department of Transportation is requested to provide an analysis on which proposed roadways may require speed bumps in the future (specific to the Panhandle project).

City staff will provide a verbal update at the September 18, 2007 meeting.

Ownership Affordable Housing: The applicant shall provide a plan and cost figures for providing 15% of their 462 inclusionary housing units as ownership (69 ownership units).

The applicant will provide an update at the September 18, 2007 meeting.

TMA: Provision of TMA shuttle services should commence at 25% build out of the Panhandle project. How will this affect the applicant (cost-wise)?

The applicant will provide an update at the September 18, 2007 meeting.

Transit: With the \$1 million in Caltrans mitigation, how much will be put toward on-site transit services?

City staff will provide an update at the September 18, 2007 meeting.

Global Warming/Sustainability: Applicant shall provide a percentage of the units with the green technology as standard options.

The applicant will provide an update at the September 18, 2007 meeting.

PUD Guidelines: Urban design guidelines should be incorporated into the proposed Panhandle PUD guidelines.

Urban Design staff reviewed the Panhandle PUD Schematic Plan and PUD Guidelines and Planning staff provided a memorandum to the Planning Commission that detailed Urban Design staff's comments (see Attachment 2). The main topics discussed in the memorandum were:

- Compliance with the Single Family Residential Design Guidelines
- Compliance with the Multi-Family Residential Design Guidelines
- Requiring commercial building be located adjacent to street frontages when possible
- Providing exhibits for a typical main street
- Recommendations for reducing the amount of signage allow for commercial development
- Recommendations for increasing the amount of residences fronting onto National Drive

The applicant has addressed Urban Design staff's recommendation for increasing the number of residences fronting onto National Drive, by amending their tentative maps for re-orient a portion of their lots to either front or side onto National Drive. In order to address the remaining comments from Urban Design staff, Planning staff has conditioned the PUD Schematic Plan and Guidelines to address these comments prior to construction.

Interface with Existing Development: The applicant has made a reasonable effort to address the concerns of the neighbors to the west (Regency Park / Natomas Park).

The applicants had the following response:

The project is over two miles in length and has approximately three and one-quarter miles of "edge" treatments that have been designed to be compatible with existing development. Throughout the planning process for Panhandle, residents adjacent to the project site have had opportunities to provide input in writing and at the Panhandle Working Group meetings, EIR scoping meetings, the project open house, during meetings with various neighborhood groups and during public hearings at the Planning Commission and City Council.

During the Panhandle Working Group proceedings, resident input was taken into consideration in identifying the land uses and densities on the perimeter of the project. Higher density residential uses and more intense land uses are located internal to the project, along Del Paso Road and adjacent to the Natomas East Main Drainage Canal (NEMDC); lower density and intensity land uses are located along the edges of the project. The Panhandle Working Group discussed and identified densities appropriate for edges of the project that interface with existing residential uses and densities. For instance, the high density multi-family uses and mid-density villa product are proposed in the southwest corner of the PUD adjacent to the Natomas Charter School instead of adjacent to single-family residential uses. The detention basins have been designed with a north-south orientation (instead of a circular or square design) to maximize the length of the basin's western edge so that existing single-family residential uses would back onto the basins rather than higher-intensity land uses. Overall, the densities of residential units along the western edge of the project match the densities of existing residential uses in the Natomas Park and Regency Park neighborhoods.

Since the completion of the Panhandle Working Group, the Applicant has received requests from individual residents west of the Project site to address specific concerns. For instance, residents on Camden Court were concerned about potential connections and uses west of their homes in the project. To address residents' concerns, park uses were re-configured to enable a

pedestrian/bikeway connection from Camden Court east to the project and to the high school/middle school site. Most recently, the Rodgers family was concerned about the number of residential lots that would back onto their lot on Cadbury Court. The Rodgers' lot is extremely wide and long and would have backed onto five lots in the Panhandle. The Applicant revised tentative maps to reduce the number of lots that back onto the Rodgers' home and to identify specific lots for single-story units.

As for the east side of the project, the Applicant has been working with representatives of the Valley View Acres Community Association regarding the land use interface in the southeast quadrant of the project, along the west side of Sorento Road. Together the Applicant and Valley View developed a design approach that includes a community park in the southeast corner of the project and north of the park, an open space interface along the west side of Sorento Road. The open space interface consists of a landscape corridor varying from 22-28(north) to 50 feet (south). The open space interface addresses the separation between Panhandle and Valley View Acres land uses and defines an attractive land use transition between the uses. The Applicant and Valley View Acres have memorialized their agreement in a document entitled, "Issues of Agreement between Valley View Acres Community Association and Dunmore and Vaquero Development in Regards to the Panhandle Development" (September 3, 2007). The agreement also addresses the provision of basins within Ninos Parkway that will a portion of the stormwater flows from National Drive/Sorento Road that typically impact Valley View during winter storm events.

Connections to Ueda Parkway: How will the school access the wildlife area to the east? The houses along the levee and wildlife area should provide amenities (windows, balconies, etc.) to take advantage of the view of the wildlife area.

The applicants had the following response:

The Ueda Parkway is located along the Natomas East Main Drainage Canal (NEMDC, also known as Steelhead Creek) which is immediately adjacent to the northern portion of the Panhandle project. Today, pedestrian, vehicular, and equestrian access to Ueda Parkway is available from the northern end of Sorento Road, where it meets East Levee Road. This same route will provide access to Ueda Parkway in the future when the Panhandle project is developed.

A six-foot walkway in the landscape corridor south of Elkhorn Boulevard will provide access from the project to Ueda Parkway.

Land use east of the Panhandle and east of the NEMDC consists of (from north to south) an asphalt plant, a large parking area for surplus cars and the City's Hansen Ranch property. These land uses are not visible from the Panhandle project due to the levee which is located between these uses and the Panhandle project site.

The 260-acre Hansen Ranch property is located north and east of Ueda Parkway as the NEMDC bends easterly. Hansen Ranch is owned by the City and use used for flood control and habitat conservation. SAFCA uses portions of the Hansen Ranch property to operate and maintain the Dry Creek North Levee and for storage and conveyance of floodwaters. Grant Joint Union High School District plans to use a portion of the Dry Creek floodway for an environmental studies center in an area known as the Wolf Ranch Wildlife Sanctuary. Students from the middle school/high school site will be able to access the future interpretive center via the walkway south of Elkhorn Boulevard and the Ueda Parkway along the east side of the NEMDC.

The levee along the NEMDC is adjacent to the northern portion of the Panhandle. In the built condition, the difference in elevation between the top of the levee and building pads will range from five to fifteen feet. Some two-story residential units may have limited views of Ueda Parkway, NEMDC and Hansen Ranch. Views to Hansen Ranch will be further limited because Hansen Ranch is located on the east side of the NEMDC and lower than elevations of the Panhandle project.

Villas Housing Type: The Mayor objects to the excessive asphalt treatment and lack of greenspace found in the Villas product type elsewhere in North Natomas

Planning staff has requested that the Urban Design Manager review the Villas product type and will report back to the City Council at the September 18, 2007 meeting.

Ag/Urban Buffer: Provide justification for the proposed deletion of the 250-foot buffer area along Elkhorn Boulevard, and identify the transition to the existing buffer areas to the west of the project site.

The rationale for the buffer is to provide a 500-foot separation between agricultural operations to the north and urban development to the south. The 1994 North Natomas Community Plan calls for a 250-foot agricultural buffer along Elkhorn Boulevard, a 126-foot wide public right-of-way of Elkhorn Boulevard, and 150 feet of area north of Elkhorn Boulevard (operations and other uses).

The applicant is proposing to eliminate the agricultural buffer along the northern boundary and create a land use separation that consists of Elkhorn Boulevard right-of-way and a 35-foot landscape corridor along the south side of Elkhorn Boulevard. The landscape corridor would be landscaped and include a pedestrian/bicycle trail. The trail would link to future trails east and west of the project site along the south side of Elkhorn Boulevard.

Although the 250-foot buffer has been provided on the lands to the west, staff is not as concerned with the loss of the 250-foot agricultural buffer along Elkhorn Boulevard at the project site:

- The need to buffer urban lands from agricultural uses north of Elkhorn Boulevard

is diminishing as Elkhorn Boulevard accommodates greater levels of traffic and since the land north of the project site is no longer being used for agricultural pursuits. The future average daily trips on Elkhorn Boulevard (year 2025) north of the project site is project to be 41,120 trips per day.

- The City is currently working with the County on an overall plan for the future development of the County lands north of the city boundaries (Natomas Joint Vision), and should future development occur north of the project site, the 250-foot buffer would no longer be applicable.
- The property immediately north of the Panhandle project across Elkhorn Boulevard was previously used for agricultural uses and was an agricultural preserve in the Williamson Act. The site is no longer part of the Williamson Act and was used as a borrow site and is currently being used for machinery storage and stockpiling.
- The PUDs (Northpointe Park, Heritage Park, JMA, and Schumacher) to the west of the Panhandle have provided the required 250-foot buffer – consistent with the North Natomas Community Plan. The buffer is typically used for utilities – including detention basins – and may include bike/pedestrian trails.
- The Panhandle project includes a 35-foot landscape buffer on the south side of Elkhorn that will accommodate a bike/pedestrian trail that provides continuity to the future trail system to the west.

Entitlement Packaging: Provide justification as to why staff proposes that all of the entitlements move forward rather than postponing entitlements not directly required to proceed with annexation.

The “Bare Bones” entitlements approach would make only those decisions absolutely needed by LAFCo for the Commission to consider the reorganization request. The downside to the bare bones approach is that the project entitlements are essentially interconnected. If, for example, after LAFCo takes its actions, the City Council decides to move some land uses around, then this would require another rezone and another General Plan Amendment. Also, Development Agreements are typically approved with rezone actions because the City has full leverage at that point, and loses some degree of leverage as the legislative entitlements are granted. Therefore, staff recommended that the project move forward with all entitlements. The City Council – on August 14th directed staff to proceed with the full entitlement package.

Flood Issues: Staff from the Department of Utilities will provide a verbal update at the September 18, 2007 meeting.

ATTACHMENT 2 - MEMORANDUM TO THE PLANNING COMMISSION DATED JUNE 28, 2007



PLANNING
DEPARTMENT

CITY OF SACRAMENTO
CALIFORNIA

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June 28, 2007

To: City Planning Commission

From: Arwen Wacht, Planning

Re: Urban Design Staff Review of Panhandle (P05-077)

Planning staff met with Urban Design staff to review the Panhandle PUD Guidelines and proposed site exhibits (P05-077). Urban Design staff found that overall the proposal is consistent with the City's Smart Growth Principles and commends the applicants for planning and designing the Panhandle proposal consistent with the five principles identified in the Panhandle PUD Guidelines, which state that every great community has a main street, great parks, a diversity of housing types and range of costs, great neighborhoods, and local schools. Urban Design staff also had the following comments:

- 1) To ensure that any future single family residences comply with the City's Single Family Residential Design Guidelines, staff recommends adding the following section to the Panhandle PUD Guidelines:

"In order to process an application at Planning Director's Plan Review level, the proposed single-family residences shall meet the City's Single Family Residential Design Guidelines standards. If the proposed single family residences do not meet the Single Family Residential Design Guidelines, the application shall be processed at a Planning Commission Plan Review level. The intent of this section is to allow streamlined processing for proposals that comply with the Single Family Residential Design Guidelines, but to also allow some flexibility in allowing non-traditional design."

- 2) To ensure that all multi-family developments are consistent with the City's Multi-Family Residential Design Guidelines, staff recommends adding the following statement to the Panhandle PUD Guidelines:

"All multi-family development shall comply with the City's Multi-Family Residential Design Guidelines."



- 3) Add a section to the Commercial development section of the Panhandle PUD Guidelines to require that buildings be located adjacent to the street frontages, when possible. Also, add language on the relationship of the sidewalk to the retail buildings.
- 4) Request that a typical main street section be provided within the PUD Guidelines.
- 5) Recommend reducing the amount of signage allowed for commercial development within the Panhandle PUD Guidelines.
- 6) Recommend increasing the amount of residences fronting onto National Drive.