



**Supplemental Material
Received at the Meetings of
City Council
Redevelopment Agency
Housing Authority
Financing Authority
For**

November 20, 2007

Item 18:

- a. Letter to Mayor and Council from Legal Services of Northern California regarding the Sacramento Railyards Proposed Project, Draft Inclusionary Housing Plan
- b. Letter to Mayor and Council from the Sacramento Housing Alliance regarding the Sacramento Railyards Proposed Project and the City's Mixed Income Housing Ordinance and Inclusionary Housing Plan
- c. Letter to the Mayor and Council from Steve Yee of the Yee Fow Center regarding a Chinese Garden and a Chinese Museum related to the Sacramento Railyards Proposed Project

LEGAL SERVICES OF  NORTHERN CALIFORNIA

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Hand Delivery

November 20, 2007

Mayor Heather Fargo
Councilmember Ray Tretheway
Councilmember Sandy Sheedy
Councilmember Steve Cohn
Councilmember Robert Fong
Councilmember Lauren Hammond
Councilmember Kevin McCarty
Councilmember Robbie Waters
Councilmember Bonnie Pannell
City Council
City of Sacramento
915 "I" Street
Sacramento, CA 95814

Re: The Sacramento Railyards Proposed Project, Draft Inclusionary Housing Plan

Honorable Mayor Fargo and Councilmembers:

Legal Services of Northern California ("LSNC") submits these comments on behalf of lower income households and individuals residing in and around the City of Sacramento regarding the above-referenced Draft Inclusionary Housing Plan ("draft plan") for the Sacramento Railyards proposed project ("project"). We are encouraged that Thomas Enterprises has committed to fully comply with the City's Mixed Income Housing Ordinance ("Ordinance"), however we continue to have concerns.

The draft plan states that the Low Moderate Income Housing Fund (LMIHF) will be used to fund inclusionary units required under the Ordinance as the developer has requested. Under state law, LMIHF can be used to fund replacement housing but cannot be used to fund the inclusionary units required in the CRL. (Health and Safety Code section 33334.2(f)). Analogously, the Ordinance allows local public funding to assist in financing inclusionary housing, but does not specifically allow LMIHF to be used for this purpose. Our concern is that the proposed scheme will result in fewer units of housing for low and very low-income households than will result if a funding source other than LMIHF was used to finance the required inclusionary units and LMIHF is used to produce additional low and moderate income housing. Because the project is both in a redevelopment area and subject to the Ordinance, the City has a unique opportunity to create additional housing for the people who will be drawn to the jobs created by this project. We urge the Council to revise the draft plan to remove LMIHF as a funding source for the required inclusionary units.

In addition, we hope the Council will take steps to ensure that the housing built in the project is truly mixed income that is distributed throughout the project area. As the Council is aware, creating communities where people from all income levels can work and live together was one of the purposes of the Ordinance. This purpose should be remembered as each residential project comes forward to prevent income segregation within the project area.

Very truly yours,

Legal Services of Northern California

A handwritten signature in black ink, appearing to read "Sofia L. Sarabia". The signature is fluid and cursive, with a large initial "S" and "L".

Sofia L. Sarabia
Staff Attorney



Mayor Heather Fargo
Vice-Mayor Kevin McCarty
Councilmember Steve Cohn
Councilmember Robert King Fong
Councilmember Lauren Hammond
Councilmember Bonnie Pannell
Councilmember Sandy Sheedy
Councilmember Raymond L. Tretheway III
Councilmember Robbie Waters
Sacramento City Council
915 I Street
Sacramento, CA 95814

November 20, 2007

Dear Mayor Fargo, Vice-Mayor McCarty and Councilmembers:

The Sacramento Housing Alliance is pleased that Thomas Enterprises has committed to fully comply with the City's Mixed Income Housing Ordinance ("Ordinance"). The Railyards Development has the potential to become a thriving high density neighborhood that adds to the strength of Sacramento. In order for that to occur, the janitors, firefighters, nurses and baristas that will work in the Railyards need be able to live there.

Further Planning Review

The second paragraph of the Railyards Inclusionary Housing Plan states, *"This document constitutes the Inclusionary Housing Plan for the Project and its approval shall obviate the need for any further permits or approvals with respect to the parameters of the Project's Inclusionary Requirement."* Section 17.190.110 of the Ordinance outlines a number of situations where a development would still need to get planning director or planning commission approval.

Traditionally, inclusionary housing plans include details about affordable units including the number of units, unit size, unit location and other planning elements. This Inclusionary Plan, dated November 8, includes little more than a recitation of the Ordinance. We realize that because of the nature of the project, these details will emerge through the site-specific inclusionary plans. The Planning Commission and City Council should not be precluded from further review. SHA anticipates that the individual site-specific plans will require further scrutiny by the Planning Commission and City Council to ensure that all elements of the Ordinance are followed.

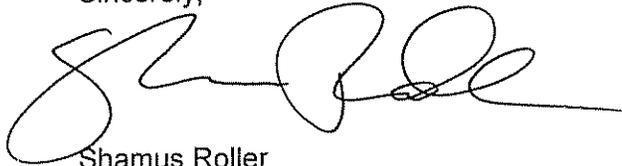
Tax Increment and Housing Trust Fund Financing

The most recent Railyards Inclusionary Housing Plan would require that all Tax Increment Housing Set-Aside (Low-Mod Funds) and Housing Trust Fund monies from the Railyards development be used exclusively to finance the Inclusionary units in the Railyards. No other redevelopment area has had a dedicated funding stream for the financing of Inclusionary Units. The dedicated funding streams may present administrative complications for the City and require further monitoring. If Thomas Enterprises develops commercial and retail space before residential, this will create a large pool of funds that are tied up until they begin residential construction.

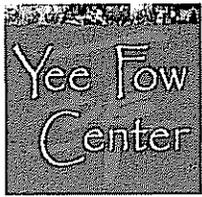
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The Sacramento Housing Alliance sees great potential in the Railyards development and supports in-fill and high density urban housing for residents at all income levels. The Mixed Income Housing Ordinance is the baseline for affordable housing development in new growth areas of the city and we are encouraged that Thomas Enterprises has committed to that baseline.

Sincerely,

A handwritten signature in black ink, appearing to read 'Shamus Roller', written over a horizontal line.

Shamus Roller
Executive Director



*Yee Fow Center
for History, Culture, and Trade*

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Connie Young Yu

City Council Meeting
November 20, 2007

Good evening Mayor Fargo and Members of the Council.
My name is Steve Yee. I am Chair of the Friends of the Yee Fow
Museum. I thank you for the opportunity to speak.

The Friends would like to note that currently the Railyards
Design Guidelines and the Railyards Specific Plan are written
to include a Chinese Garden and to incorporate a Chinese
museum.

We are particularly gratified that comments from the public
regarding the importance of honoring the role of Chinese
immigrants in railroad construction and in contributions to the
state are mentioned in the History section of the Specific Plan.

The Chinese Garden, that is intended to occupy a portion of the
Depot District, is specifically referred to on Page 60 of the Specific
Plan, which will be included by reference in the Development
Agreement between the City and Thomas Enterprises.

In closing, Mayor and Council Members, the Friends of the Yee
Fow Museum has formed an advisory board and will be working
with leading Asian Community leaders, architects, and others.

Individual appointments are currently being scheduled with
each one of you to further elaborate on our mission to have a
privately funded Yee Fow Center for History, Culture, and Trade.

I look forward to meeting with each of you. We humbly seek
your guidance and support.

Thank you.

A handwritten signature in black ink, appearing to read "Steve Yee". The signature is fluid and cursive, written in a dark ink on a white background.