



REPORT TO COUNCIL

City of Sacramento

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

5

PUBLIC HEARING
December 6, 2005

Honorable Mayor and
Members of the City Council

Subject: Appeal of Midtown Arts, Retail, & Restaurant Scene (M.A.R.R.S.) (P05-086)

Location/Council District: 1930 J Street, Council District 3 (Attachment A-B)

Recommendation:

Staff recommends that the City Council take the following action: 1) Adopt the Notice of Decision and Findings of Fact approving the appeal of the decision of the Planning Commission to deny the Special Permits to exceed the maximum 25% office use, waive parking for restaurants, retail, and office uses, and provide parking off-site for commercial uses, thereby approving the project.

Contact: Lindsey Alagozian, Associate Planner, 808-2659; Jeanne Corcoran, Senior Planner, 808-5317

Presenters: Lindsey Alagozian, Associate Planner, 808-2659

Department: Development Services Department

Division: Planning Division

Organization No: 4877

Summary:

The applicant, Michael Heller, filed an appeal of the project on November 1, 2005. The reason for the appeal is as follows: *"the applicant is appealing the Planning Commission's decision to deny its application for special permits given the Applicant's extensive community outreach attempts, exhaustive and on-going search to secure parking for the project, willingness to work with the various City Departments to come up with a mutually agreeable and reasonable solution, and finally the support shown by the community well outweighs the opposition as demonstrated by the twelve speakers and nearly a dozen letters presented at the Planning Commission meeting (3 to 4 times the number of opponents, both speakers and letters)."* A copy of the appeal is included in this staff report as Attachment D.

Committee/Commission Action:

On August 17, 2005, the Design Review/Preservation Board unanimously approved the project design on the consent calendar with a vote of six ayes (DR05-210). On October 27, 2005, the project was denied by the Planning Commission with a vote of three ayes and two abstentions. Special Permits require a minimum of four affirmative votes in order to be approved. Since the project only received three affirmative votes and no negative votes, the project was denied. Staff is recommending the City Council approve the appeal, thereby approving the project.

Background Information:

Project Summary: The applicant proposes to convert a former 50,200 square foot warehouse building into a commercial mixed use project containing approximately 10,000 square feet of restaurant space, 11,500 square feet of retail space, and 28,700 square feet of office space in the Heavy Commercial (C-4) zone. Although the site is zoned primarily for warehouse and distribution uses the Central City Community Plan specifically encourages development along J Street that serves to stimulate active pedestrian interest. Such development is encouraged in order to provide a combination of users during both the day and night.

The project is credited for 126 parking spaces based on Title 17 of the Zoning Ordinance which allows for a parking credit to be applied to buildings constructed without onsite parking. A total of fifty-nine (59) onsite parking spaces are required for the project after applying the parking credit. The applicant is requesting to waive forty-two (42) onsite parking spaces for daytime hours and provide seventeen (17) parking spaces off-site for weekday hours. Seventy (70±) parking spaces will be provided off-site during evening and weekend hours. Parking tables are included as Attachment E of this report. The project requires Special Permits to provide parking off-site and to waive 42 parking spaces. A Special Permit is also required to exceed the maximum 25% allowed office use in the Heavy Commercial zone. There has been no opposition to the conversion of the warehouse building into office, retail, and restaurant uses. The applicant continues to explore options to mitigate the parking impacts and will report back at the City Council hearing.

Planning Commission Hearing Summary: On October 27, 2005, the Planning Commission conducted a hearing on the MARRS project. The issues raised at the hearing included concerns for adequate parking during daytime and evening hours and accessible paths of travel between the project and parking lots. A summary of the Planning Commission staff report is included as Attachment F of this report. Staff supported the proposed project for the following reasons:

- 1) The building is existing and was constructed without parking, and the proposed project maintains the viability of the structure;
- 2) The applicant has secured a 10-year lease for 17 parking spaces at 2001 K Street from 6:00 AM to 6:00 PM Monday through Friday;
- 3) The applicant has secured a 5-year lease for 70± spaces at 2020 J Street from 6:00 PM to 2:00 AM weekdays and 11:00 AM to 2:00 AM on weekends;

- 4) The off-site parking proposal is within close proximity to the project site;
- 5) The retail uses are anticipated to create short-term demand and high turnover for parking and can be accommodated with the on-street parking;
- 6) The applicant's parking proposal addresses the evening parking demand identified by the City's Department of Transportation Master Plan study of parking in the Central City area;
- 7) The parking proposal better utilizes existing and underutilized parking spaces which is a specific policy of the Central City Community Plan; and
- 8) The project design fosters a pedestrian friendly development and incorporates measures to promote alternative means of transportation.

The Planning Commission expressed concerns about whether or not the applicant would implement measures to ensure accessible paths of travel between the project and the off-site parking lots. The applicant is proposing to utilize existing parking lots that were constructed for other uses; the applicant is not required to improve or modify the parking lots with the current project.

Ultimately, three members of the Planning Commission supported the MARRS project for the following reasons:

- 1) The project represents an adaptive reuse of an old building and will serve to further activate J Street;
- 2) The project utilizes existing parking lots in the area; and
- 3) This project promotes alternative means of transportation.

Two members of the Planning Commission held reservations about the parking proposal and stated that parking waivers escalate parking impacts and do not address the need for parking. Furthermore, the valet operation was questioned because of the fact that patrons would be required to pay for valet parking services in order to patronize the MARRS project. The two members ultimately abstained from voting on the project and therefore, direction and a policy decision by City Council is needed.

Financial Considerations:

This project has no fiscal considerations.

Environmental Considerations:

The proposed project is exempt from environmental review pursuant to CEQA Guidelines (CEQA Section 15301). Section 15301 allows for alterations to existing facilities involving negligible or no expansion beyond that existing at the time. The project is consistent with the General Plan designation and all applicable General Plan policies, as well as the site's zoning designation. The site is no more than 5 acres in size and surrounded by urban uses. The site has no value as habitat and would not result in any significant effects relating to traffic, noise, air quality, or water quality, and the site can be adequately served by all required utilities and public services.

Policy Considerations:

Staff has determined that the proposed project is consistent with the site's General Plan designation of Community/Neighborhood Commercial and Office, the Central City Community Plan designation of General Commercial, and the site's Zoning designation of Heavy Commercial (C-4). The project is consistent with the guidelines set forth in the Central City Design Review Guidelines.

General Plan: The proposed project is consistent with the General Plan designation in that it provides a commercial mixed-use development within the vicinity of residential neighborhoods. A total of ten small retail tenant spaces are provided on the ground floor and two office tenants on the second floor. This development will encourage small retailers that cater more to the needs of local residents as opposed to a use that fosters a regional draw.

Central City Community Plan: The proposed project is consistent with the Central City Community Plan which promotes land uses that encourage and stimulate active pedestrian interest including restaurants, entertainment, cultural uses, coffee houses, specialty retail, and office above retail. The Community Plan also supports shared parking arrangements (i.e., agreements for daytime use for offices and evening / weekend use for restaurants) and other arrangements such as diagonal on-street parking, valets, and shuttles.

Zoning Ordinance: The project site is located in the Heavy Commercial (C-4) zone. The Heavy Commercial (C-4) zone calls primarily for warehousing and distribution. The zone also permits generally most commercial and office uses. In the Heavy Commercial (C-4) zone, office use of 10,000 square feet or up to 25% of the gross floor area of a building is permitted by right. Office use greater than 10,000 square feet and that is not within a quarter of a mile of light rail station is allowed with the approval of a Special Permit.

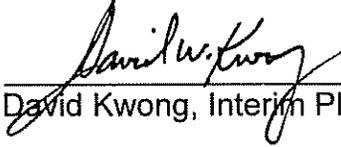
Smart Growth Planning Principles: The project is consistent with the intent of the Smart Growth Planning Principles. The project offers a variety of entertainment, restaurant, retail, and office uses, contributing to a vibrant city center. Outdoor dining cafes are proposed for each restaurant. Furthermore, the project promotes a strong sense of place by incorporating high quality materials, public art, and sculptures throughout the public right-of-way. The project encourages alternative modes of transportation by providing motorcycle / scooter parking along 20th Street, many opportunities for bicycle parking, and the availability of showers for bike riders.

Central City Parking Master Plan: The City's Department of Transportation is currently conducting a Master Plan study of parking in the Central City area. The study began in January 2005 and is currently in progress with the goal of producing a comprehensive parking strategy by assessing current parking availability and future opportunities in metered spaces, on-street parking, garages and surface parking lots, and potential joint use of private parking. The area surrounding the MARRS project shows that the occupancy of on-street parking during the evening hours defined as 7 PM and 9 PM is the highest. Night hours, between 10 PM and 12 AM are also the time in which on-street parking is in demand. There are many entertainment venues such as clubs and bars

within the immediate vicinity of the project site that establish the demand for evening parking spaces. Evening hours represent the timeframe in which the parking demand is greatest. The applicant is proposing to provide valet parking services during this timeframe utilizing the off-site parking lot at 2020 J Street.

Emerging Small Business Development (ESBD):

City Council approval of these proceedings is not affected by City policy related to the ESBD Program. No goods or services are being purchased.

Respectfully Submitted by: 
David Kwong, Interim Planning Manager

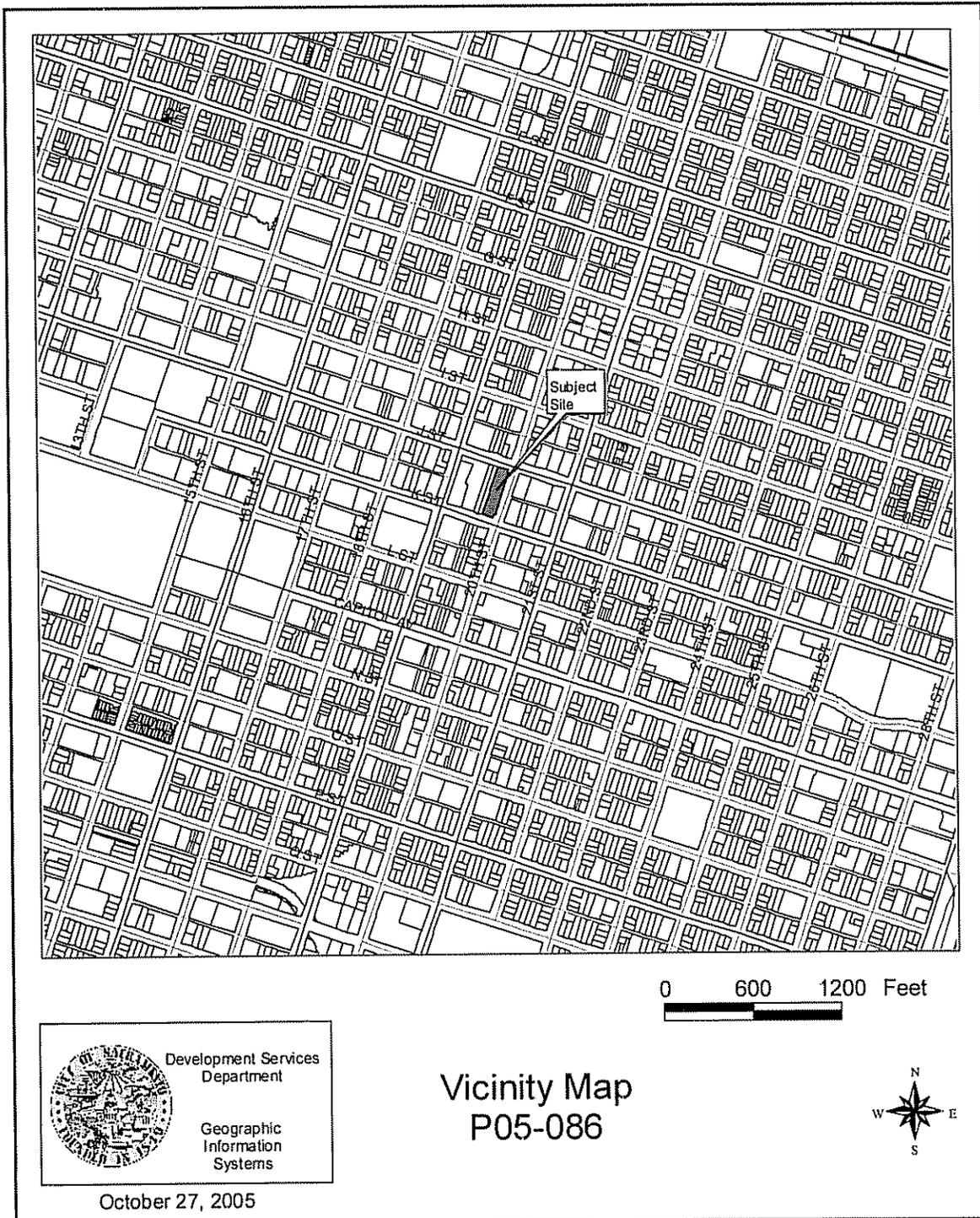
Approved by: 
William Thomas
Director of Development Services

Recommendation Approved:


ROBERT P. THOMAS
City Manager

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Attachment B - Land Use & Zoning Map



Attachment C- Voting Record from Planning Commission – October 27, 2005

**CITY PLANNING COMMISSION
HEARING ITEM**

CPC AGENDA DATE: October 27, 2005

Item No.	Project No.	Title/Location	Action: Approved/Denied
10	P05-086	MARRS 1930 J Street	Denied
ACTION			
<i>these patrons using valet parking for placards w/durability in the evening</i>			

VOTE OF THE PLANNING COMMISSION:

COMMISSIONER	MOTION 1			MOTION 2			ABSTAIN
	Yes	No	M/S	Yes	No	M/S	
Vacant							
Banes							
Boyd	Y		S				
Netcstine							recused
Taylor-Carroll							✓
Vallencia							✓
Wasserman	Y		M				
Woo							
Yee	Y						
W. [unclear]			M				

**** List "Proponents" and Opponents" on reverse side of this page****

COPY

Attachment D- Appeal from Michael Heller – November 1, 2005

CITY OF SACRAMENTO

DEVELOPMENT SERVICES DEPARTMENT
 915 I Street, New City Hall, 3rd Floor
 Sacramento, CA 95814

PLANNING DIVISION
 916-808-5419

**APPEAL OF THE DECISION OF THE
SACRAMENTO CITY PLANNING COMMISSION**

DATE: 11-1-05

TO THE PLANNING DIRECTOR:

I do hereby make application to appeal the decision of the City Planning Commission on October 27, 2005 (hearing date), for project number (P#) PO50086 when:

- (3) Special Permits for 1) exceed 25% office in C-4 zone, 2) Waive parking for restaurant use w/ +/- 267 seats, +/- 11,500 SF retail and +/- 28,500 SF office in C-4 zone, 3) Locate parking offsite for commercial uses

was: _____ Granted by the City Planning Commission
XX _____ Denied by the City Planning Commission

Grounds For Appeal: (explain in detail, you may attach additional pages)

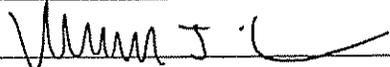
(see attached)

Property Location: 1930 J Street, Sacramento

Appellant: Michael Heller for Mayflower Building Partners, LLC

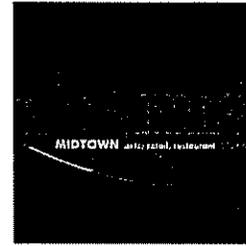
Daytime Phone: 916-638-2400

Address: c/o Heller Pacific, Inc. 11211 Gold Country Blvd, Suite 106
Gold River, CA 95670

Appellant's Signature: 

THIS BOX FOR OFFICE USE ONLY			
FILING FEE:	<input checked="" type="checkbox"/> \$1,192.00 By Applicant	RECEIVED BY:	<u>Patt Morgan</u>
	<input type="checkbox"/> \$298.00 By Third Party	DATE:	<u>11-1-05</u>
Distribute Copies To: CAS; DK; Project Planner; Mae Saetern (original & receipt)			
P# <u>05-086</u>		Forwarded to City Clerk: _____	

Attachment D- Appeal from Michael Heller – November 1, 2005



#PO50086 – M.A.R.R.S.
1930 J Street, Sacramento, CA
11/1/05

Appeal of the decision of the Sacramento City Planning Commission

Grounds for Appeal – Attachment to Appeal Form

The applicant is appealing the Planning Commission's decision to deny its application for special permit given the Applicant's extensive Community Outreach attempts, exhaustive and on-going search to secure parking for the project, willingness to work with the various City Departments to come up with a mutually agreeable and reasonable solution, and finally the support shown by the community well outweighs the opposition as demonstrated by the twelve speakers and nearly a dozen letters presented at the Planning Commission meeting (3 to 4 times the number of opponents, both speakers and letters).

M.A.R.R.S. - Mayflower Building Partners, LLC
c/o Heller Pacific, Inc.
11211 Gold Country Boulevard, Suite 106
Gold River, CA 95670
916.638.2400 ph 916.635.6888 fax
www.hellerpacific.com

Attachment E- Summary of Staff Report to Planning Commission, October 27, 2005

Summary: The MARRS project was heard and denied by the City Planning Commission on October 27, 2005 with a vote of three ayes and two abstentions. The following is a summary of the Planning Commission staff report:

PROJECT INFORMATION:

General Plan Designation:	Community/Neighborhood Commercial & Offices
Central City Community Plan Designation:	General Commercial
Existing Land Use of Site:	Office
Existing Zoning of Site:	Heavy Commercial (C-4)

Surrounding Land Use and Zoning:

North: C-2; Commercial
 South: C-2; Commercial
 East: C-2; Commercial
 West: C-2; Commercial

Property Dimensions:	85 feet x 342 feet
Property Area:	29,070 s.f. (0.65 acres)
Square Footage of Retail:	11,500 s. f.
Square Footage of Restaurants:	10,000 s. f. (267± seats)
Square Footage of Office:	28,700 s. f.
Building Height:	28 '8 " to the plate line (existing)
Exterior Building Materials:	sandblasted and sealed cast in place concrete (existing), various shades of grey paint, glass panels randomly placed in the upper portion of the building in vibrant colors.

Hours of Operation

Office:	7 AM to 6 PM, Monday through Friday
Retail:	10 AM to 12 AM, Seven days a week
Restaurants:	6 AM to 2 AM, Seven days a week

Topography:	Flat
Street Improvements:	Existing
Utilities:	Existing

BACKGROUND INFORMATION: The subject site was originally developed with a 50,200 gross square foot warehouse structure for the Mayflower Moving Company. The building was constructed without any on-site parking. In the late 1980s, the State converted the entire building into office space. The State was notified by the City of Sacramento that the change of use required compliance with the applicable parking requirements. The State chose to exempt themselves from the City's zoning requirements. The developer leasing the site to the State was informed at this time that should the site be vacated by the State, all applicable zoning and building codes would be required. It is anticipated that the State will vacate the site by the end of the year.

The applicant is proposing to convert the former warehouse / office building into a office / retail / restaurant use. In so doing, parking for the site is now required. The applicant is proposing to waive a portion of the parking while providing a portion of the parking off-site. No additional square footage is proposed; rather the project represents a tenant improvement which includes retaining some of the existing office uses but adds retail and restaurant uses. Exterior modifications are proposed in order to accommodate the change of use including: an elevated pedestrian walkway and courtyard plaza along 20th Street, bulb-outs and traffic calming measures along J and K Streets, sidewalk cafes, enhanced landscaping, and public art. The site is located within the Central City Design Review District.

The building was originally constructed without parking and therefore any proposed use at the site will obtain parking credits for the original warehouse use. Based on the proposed use, 185 parking spaces are required. Since the project was originally not constructed with on-site parking, per the Zoning Ordinance, the structure will receive a parking credit. Staff has calculated the credit to be a total of 126 parking spaces; therefore, a total of 59 parking spaces are required for the proposed project. The applicant is requesting to waive forty-two (42) spaces during weekday hours and provide 17 parking spaces off-site for weekday hours. The applicant will also be providing 70± parking spaces off-site during evenings and weekends.

Parking

The applicant's proposal includes a waiver of forty-two (42) parking spaces for weekday hours while providing seventeen (17) parking spaces off-site for the office use. The applicant also proposes to provide seventy-two (72) spaces off-site for evening and weekends to serve the retail and restaurant uses.

The applicant is requesting to waive the required on-site parking associated with the proposed commercial uses. According to the Zoning Ordinance, any land use that was originally developed without the necessary parking required for the original use will receive credits toward the parking requirement for any subsequent uses. The Mayflower Building was originally constructed as a 50,200 gross square foot warehouse building without any on-site parking. The Zoning Ordinance requires warehouse use to provide parking at a minimum of 1:1000 and a maximum of 1:500. In determining the parking requirement for the warehouse use, staff has used the following calculation: $50,200 \text{ s.f.} / 500 = 100$ parking spaces. Using this calculation, the building would be credited with 100 parking spaces (Table 1).

Since the site has been utilized as an office for the last 15 years, staff has also calculated a parking credit based on the office use for consideration by the Planning Commission. The State has occupied the building for the last 15 years utilizing the entire 50,200 gross square feet as office space without parking. The Zoning code requires parking for office use at a minimum of 1:450 and a maximum of 1:400. In determining the parking requirements as an office use, staff used the maximum ratio of 1:400 ($50,200 \text{ s.f.} / 400 = 126$). Using this calculation, the building will be credited a total of 126 parking spaces (Table 2).

Table 1. Warehouse as the credit for parking:

Land Use	Square Footage	Required Parking	
Office (Existing)	50,200	126	
Warehouse (Original)	50,200	100	CREDIT
PROPOSED PROJECT			
Retail (1 st Floor)	11,500	32	
Restaurant (1 st Floor)	10,000 sf 267 Seats	89	
Office	28,700	64	
TOTAL		185 -100 = 85	

Table 2. Office as the credit for parking:

Land Use	Square Footage	Required Parking	
Office (Existing)	50,200	126	CREDIT
Warehouse (Original)	50,200	100	
PROPOSED PROJECT			
Retail (1 st Floor)	11,500	32	
Restaurant (1 st Floor)	10,000 sf 267 Seats	89	
Office	28,700	64	
TOTAL		185 -126 = 59	

Staff recommends utilizing Table 2 in calculating the parking requirement for the proposed project because the building has been used as 100% office for over 15 years. While the State did not obtain the necessary parking waiver or establish parking off-site, the site has been operating as an office use without any parking spaces. Utilizing Table 2 more accurately reflects the conditions that have existed for the last 15 years. Therefore, based on the 126 parking credit, the project is required to provide 59 parking spaces.

The applicant has secured a lease for 17 parking spaces at 2001 K Street, an existing parking lot for a dance club and bar. The lease stipulates that for a period of ten years, a total of 17 parking spaces between the hours of 6 AM to 6 PM Monday through Friday will be designated for the proposed project. The applicant intends to retain these spaces for the office portion of the building. The parking is still deficient by 42 parking spaces. These 42 parking spaces are requested to be waived during weekday hours. The applicant has also secured a lease at 2020 J Street for 70± parking spaces to be utilized during evening hours and weekends.

Public/Neighborhood/Business Association Comments: Adjacent property owners, SOCA, NAG, and other neighborhood associations were informed of the project and noticed for this review and comment meeting. Written comments have been received from three different neighborhood associations. The Central City Alliance of Neighborhoods (CCAN) (July 2005) stated: "While design looks okay from the small drawings our biggest concern is the parking variance request. The restaurant businesses would fail because the area is already a major problem. The only way to overcome that is to obtain sufficient required parking by contracting with Sacto News and Review and McMartin Reality Building to use their parking lots at night and not park on the street."

The Winn Park/Capitol Avenue Neighborhood Association submitted the following written comments (July 2005): "Parking, parking, parking!!" Written comments were also received from the Boulevard Park Neighborhood Association (July 2005): "Our only negative comment has to do with parking. Sufficient after hours parking should be secured to prevent problems in nearby residential areas. An agreement to use the parking structure / lot on the north side of L Street between 20th and 21st would be an ideal solution."

Attachment F- Design Review and Preservation Board NOD, August 17, 2005

**NOTICE OF DECISION AND FINDINGS OF FACT FOR
PROPERTY LOCATED ON 20TH AT J AND K STREETS,
SACRAMENTO, CALIFORNIA IN THE CENTRAL CITY
DESIGN REVIEW AREA (DR05-210)**

At the regular meeting of **August 17, 2005**, the City Design Review and Preservation Board considered evidence in the above design matter. Based on verbal and documentary evidence at said hearing, the Board took the following action for the location listed above:

- 1. Approved the design of the proposed project.**

This action was made based on the following Findings of Fact and subject to the following conditions:

FINDINGS OF FACT

1. The project, as conditioned, enhances the surrounding neighborhood.
 2. The project, as conditioned, will complement structures in the surrounding area, and conforms with the Board's design criteria.
-

CONDITIONS OF APPROVAL:

- A. The design of the site (see plans attached) is hereby approved subject to the following conditions:**

1. The building shall be located on the site as indicated in this report and exhibits.
2. The minimum tree size shall be 24 inch box, with more mature shrubbery also planted. The final landscape plan shall be reviewed and approved by staff.
3. Mechanical equipment shall be screened behind parapet walls, and not visible from any street view. Final drawings indicating compliance shall be reviewed and approved by staff. Mechanical equipment screens shall integrate into the overall project design with plaster finish and color to match the building. Backflow prevention devices, SMUD boxes, etc., shall also be placed where not visible from street views, and screened from any pedestrian view. Any parking lot lighting, and lighting at the building facades shall be complementary to the building. Final fixture selection shall be reviewed and approved by staff. The applicant shall coordinate with existing street lighting to provide additional lighting for increased safety.

4. Any signage proposed shall be reviewed and approved by staff.
5. The trash enclosure proposed must conform with City standards, shall match the materials and colors of the building, and shall be reviewed and approved by staff.
- B. The design of the building (see plans attached) is hereby approved subject to the following conditions:
 7. The project shall be constructed of the design, materials and colors proposed in this report and exhibits. Any minor modifications to the design shall be reviewed and approved by staff prior to issuance of building permits, but substantial changes to the design, as determined by staff, shall return to the Board for review and action.
 8. All details not finalized at the Board hearing shall be reviewed and approved by DR staff prior to issuance of a building permit.
 9. All required new and revised plans shall be submitted for review and approval of staff prior to issuance of building permits. A set of the appropriate plans shall be submitted directly to Design Review staff. Any necessary planning entitlements shall have been approved by the Planning Commission or the Zoning Administrator prior to final Design Review sign off of plans.
 10. The approval shall be deemed automatically revoked unless required permits have been issued and construction begun within two years of the date of the approval. Prior to expiration, an extension of time may be granted by the Board upon written request of the applicant.
 11. All window glazing on the lower floors shall be as clear as possible to allow views into the building.
 12. Final occupancy shall be subject to approval by Design Review staff and shall involve an on site inspection.

ATTEST:

Design Review and Preservation Board Staff

Subject: Appeal of MARRS

December 6, 2005

Attachment G- Letters of Support

October 26, 2005

City of Sacramento
Development Services Department
915 I Street, 3rd Floor
Sacramento, CA 95814

RE: MARRS Project #PO50086

To Whom It May Concern:

I am an art gallery owner, Solomon Dubnick Gallery, and we are currently in negotiations with Mr. Heller for tenant space at the above referenced project

I am writing in support of this project. I am very excited about the proposed re-use of the building, the project's design, and incorporation of public art. I firmly believe that the MARRS project will only enhance and bring much value to the Midtown area

Sincerely,



Mike Solomon

Cc: Michael Heller

Subject: Appeal of MARRS

December 6, 2005

Attachment G- Letters of Support

From: SKK DEVELOPMENTS

916 449 8865

10/27/2005 09:53 #748 P.002/002



REC'D OCT 27 2005

October 26, 2005

Theresa Taylor-Carroll
Chairperson, Planning Commission
City of Sacramento
1231 I Street
Sacramento, CA 95814

Dear Planning Commissioners,

I am writing this letter in support of Michael Heller's MARRS project. Mr. Heller once again is bringing forward a great project that will be an asset to the central district

As an owner of a number of properties in the midtown, and as a developer and owner of two mixed-use projects located less than two blocks from the proposed project valued at approximately \$90 million, and consisting of 16,000 square feet of retail space, 176 rental mixed-income units and 92 ownership units, I strongly believe the MARRS project, as proposed, can only enhance the neighborhood.

I urge you to approve the project

Sincerely,

A handwritten signature in black ink, appearing to read 'Sotiris K. Kolokotronis', written over a horizontal line.

Sotiris K. Kolokotronis

SKK Developments
730 Alhambra Blvd, Suite 222
Sacramento, CA 95816
(916) 449-8889 (916) 449-8885 Fax

Attachment G- Letters of Support

To Member of the Sacramento Planning Commission,

I am writing to urge you to support an exciting project for midtown Sacramento -- the MARS project will be a vibrant, positive addition to my neighborhood. When I bought my home in midtown, it was my hope that planners like you would continue to move our city in a forward direction, bringing life, people and energy back to midtown and downtown Sacramento.

You have done a wonderful job in this respect, and I appreciate how far our city has come in just the last five years. Now we have the chance to improve a building that, until now, has done nothing for midtown. The potential for galleries, restaurants, boutique shopping and a sense of community at the MARS building is a fantastic opportunity. I understand there will be concerns about things like parking, but to be honest I am tired of seeing the same vocal minority oppose every proposal for change. My neighbors and I love the new restaurants and shops that now surround us. We moved to midtown Sacramento because we like the energy of a city, and we all understand that comes with some city limitations like parking spaces. But the bottom line is this: if you want your city to have plenty of parking, make sure it's a place where no one wants to be. My neighbors and I would much rather see the rejuvenation and renaissance continue, and we understand that means there will be some big city inconveniences.

Again, you are doing a wonderful job moving our city in a forward, positive direction. Please keep that going with the approval of the MARS project and the vibrant transformation it promises.

Thank you for your time,

Jennifer Sparks
Midtown Resident and Homeowner

Attachment G- Letters of Support

Oct-27-05 09:17am From:Downtown Sacramento Partnership

916-442-2053

T-636 P 002/002 F-773



October 27, 2005

Planning Commission
City of Sacramento
Development Services Division
915 I Street, 3rd Floor
Sacramento, CA 95814

REC'D OCT 27 2005

RE: MARRS #PO50086

Dear Planning Commission Members:

I would like to lend our support for the proposed Midtown arts, restaurant, retail SCENE (MARRS) project

The mission of the Downtown Sacramento Partnership (DSP), a private non-profit organization representing downtown property owners, is to establish Downtown Sacramento as the vibrant business, cultural and entertainment destination in the Sacramento region. For the past ten years, we have worked to increase the level of retail, residential and cultural offerings in the Central City. The vision proposed by the developer for this project will continue that momentum.

Downtown residential development has reached new heights with almost 1,000 units under construction and more than 3,000 proposed. As these units are developed and seek residents, it will be imperative that the retail and entertainment offerings of our central city support the new market.

As a developer, Michael Heller has not only proven his ability to deliver a high quality product but also his dedication and understanding of the needs of the community. We believe the future success of downtown will rely on balancing the elements of retail, residential, entertainment and into a tight urban fabric. I encourage you to support the MARRS project. Please contact me at 916 442-8575 with any questions.

Sincerely,

[Handwritten signature of Michael T. Ault]

Michael T. Ault
Executive Director

Cc: DSP Board of Directors
Michael Heller

916 442 8575
FAX 916 442 2053
900 J Street, 2nd Floor
Sacramento, CA 95814

d o w n t o w n s a c o r g

Attachment G- Letters of Support



SUTTER COMMERCIAL PROPERTIES

October 27, 2005.

City of Sacramento
Development Services Division
915 I Street, 3rd Floor
Sacramento, CA. 95814

RE: SUPPORT FOR MARRS PROJECT.

Dear City Staff:

I am writing in support of the proposed MARRS project on 20th Street in midtown. Although I am a partner with Mike Heller in Loftworks' projects, I have no financial interest in this project

My reasons for supporting MARRS include:

- 1) The hallmark of a great midtown project is one that is high-density, pedestrian friendly and creates a strong sense of place. MARRS transforms a state office building into an exciting, art-oriented destination project that will add life and vitality to the neighborhood.
- 2) Nobody goes to midtown because there are plenty of places to park – they come to midtown to work, to shop and to be entertained. MARRS will be a great place to work, to shop and to be entertained.
- 3) All drivers become pedestrians once they arrive at their destination. Having pedestrians walking in the area enlivens the streets, so don't discourage people from walking. Once people arrive in the neighborhood, they will park and likely visit more than one gallery, restaurant or club.
- 4) MARRS supports alternative transportation including Vespa parking, bike parking and other amenities that promote a pedestrian and bike-oriented vision for midtown. Midtown is one of the most bike-oriented areas of Sacramento - let's build on that vision for the future.

Thank you for your consideration.

Best regards,


Glenn W. Sorensen, Jr.



Bickmore Risk Services

October 27, 2005

Ms. Lindsey Alagozian
City of Sacramento
Planning Commission
915 I Street
Sacramento, CA 95814

Re: Development of MARRS Project

Dear Ms. Alagozian:

On behalf of our President, who is out of town, and our fellow partners at Bickmore Risk Services, we strongly endorse approval of the MARRS project located at 1930 J Street. Our business is located one block west of this potential development.

Projects like MARRS will not only enhance the beauty of our neighborhood, but it will also assist businesses like ourselves continue to grow by providing attractive entertainment venues for our clients, as well as dining and shopping opportunities that will help us attract qualified staff. With over 100 employees, and growing, we strongly encourage you to approve this project.

Regarding the much discussed need for parking, we do not see the MARRS development having any detrimental effect to our staff or business operations, even with our projected growth rate of 25% into the future.

We regret we are unable to attend this evening's meeting, please feel free to contact us at number below with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "John E. Chaquica".

John E. Chaquica, CPA, MBA, ARM
Chief Executive Officer

A handwritten signature in black ink, appearing to read "Jeffrey C. Grubbs".

Jeffrey C. Grubbs, CPA, MST
Chief Financial Officer

BRS: 2005-119

800.541.4591
www.BRSrisk.com

1831 K Street, Sacramento, CA 95814
916 244 1100 PHONE 916 244 1199 FAX

3760 Kilroy Airport Way, Suite 360, Long Beach, CA 90806
562 508 4400 PHONE 562 508 4399 FAX

Attachment G- Letters of Support

Michael Krambs

2115 J Street, Suite 210
Sacramento, CA 95816
916.444.0599
916.444.9070 FAX

October 19, 2005

REC'D OCT 25 2005

City of Sacramento
Development Services Department
915 I Street, 3rd Floor
Sacramento, CA 95814

Attn: Lindsey Alagozian
Ref: P050086, M A R R S

Dear Ms. Alagozian:

I am a developer and owner of several commercial properties in Midtown, four of which are in close proximity to Michael Heller's M A R R S project.

I received a copy of a letter submitted by Myron A. Sidie dated October 10, 2005, wherein I am listed as one of the "Dissenting Property Owners" whose views he claims to represent. I want to make it clear to you that I do not share Mr. Sidie's views and that I never authorized him to represent that I am in his group of "Dissenting Property Owners".

As a matter of fact, I firmly support Mr. Heller's proposal and see this project as a significant enhancement to the entire Midtown area.

Sincerely,



Michael Krambs

cc: Myron A. Sidie
Michael Heller

Attachment G- Letters of Support

Sent By: The Heller Company;
Oct 27 05 03:17p

916 635 6888;

Oct-27-05 3:55PM;

Page 2/2
p 1



2129 J Street Sacramento, CA 95813 916-446-4354 www.modernatmosphere.com

October 27, 2005

Planning Commission
City of Sacramento
Development Services Division
915 I Street, 3rd Floor
Sacramento, CA 95814

RE: MARRS Project

Dear Planning Commission Members,

I am writing this letter in support of the MARRS project. Michael Heller has shown his dedication to bringing high quality mixed use projects to the downtown/midtown area. As a small business owner in the midtown area, I believe this project can only enhance the retail and entertainment aspects of the growing urban district. More walk-able retail is needed within the midtown/downtown area to support the growing residential development and further the success of existing businesses

I strongly urge approval of this project

Sincerely,

Michelle Leggore
Atmosphere Home

Attachment G – Letters of Support



RECD OCT 26 2005

October 26, 2005

City of Sacramento
Planning Commission
Attn: Staff Planner Lindsey Alagozian
lalagozian@cityofsacramento.org

Dear Ms. Alagozian:

I am writing this letter to add my support to the MARRS project proposed by Mike Heller. As a 15 year business tenant of the immediate neighborhood, I see this as a positive impact to the area.

This is an opportunity to turn a blighted building into an exciting new urban redevelopment offering both retail and office space. I have spoken with Mike in detail about this project and am mulling over the prospect of moving my company headquarters to the development. Even if we decide not to make the move, I totally support turning midtown into a true art and entertainment district and this project can only add to the steps the City has already taken to re-awaken downtown Sacramento.

Sincerely,

David H. Mering
Owner/CCO

Attachment H – Letters of Opposition



October 10, 2005

City of Sacramento

Development Services Department
915 J (eye) Street, 3rd Floor
Sacramento, CA 95814-2998

REC'D OCT 25 2005

REF: P050086, M.A.R.R.S Project

Concerned,

The owners of 8-10 different commercial parcels between 19th and 21st streets and J and L streets have reservations about the proposed Heller "M.A.R.R.S." project. While we like the concept of this project, we find the parking issue to be an enormous problem.

Some of us planned ahead and have our own parking lots while some have rented spaces at considerable expense. Mr. Heller proposes a variance that eliminates that obstacle for his project. Furthermore, certain individuals who were given variances in the area are now renting their own limited spaces to Mr. Heller. This is unfair to the rest of us who have been required to maintain a minimum parking standard and as well exacerbates the problem in the area. In fact, LDR Partners Group offered Mr. Heller parking in their lot, and he has yet to respond.

Parking needs to be the same for everyone. We need to work together to secure, share, clean and operate in a neighborly fashion the parking available or the City needs to extend the Entertainment District into this area. Period.

Sincerely,

Myron A. Sidie

FACES, INC.

- Cc: Dissenting Property Owners
- Florence Cavanaugh
- William Christie
- Comice Realty
- Old Spaghetti Factory
- Original Pete's Pizza and Residential Properties
- Michael Krambs / Ted Johns
- Jack Hobday

Attachment H – Letters of Opposition

October 19, 2005

MARRS

City of Sacramento
Development Services Department
915 I Street, 3rd Floor
Sacramento, CA 95814
Attn: Bill Thomas and Planning Staff

RE: RESPONSE TO SIDIE LETTER DATED 10/10/05:

Dear Bill et al:

I received a copy of a letter to you from Myron A. Sidie regarding the parking issues related to my development MARRS. I was somewhat surprised and disappointed with the letter mostly because of the effort we have made on community outreach to all stakeholders in that area including Mr. Sidie. No one listed on his "Dissenting Owners" list took the time to come to our meetings or contact us to raise such issues or discuss our solutions. I also noticed that Mr. Sidie did not copy me on his letter. Perhaps he should have met with us to discuss prior to opposing our project. I would like to respond to Mr. Sidie's letter as there are several inaccuracies stated:

1. We have secured 17 parking spaces for our office tenants
2. We have secured 72 parking spaces for our retailers and restaurants and our anticipated valet operations.
3. We have no idea who "LDR Partners" is and at no time have they made us a proposal to lease parking. This is a misstatement of fact. I am ready and willing to meet with ANYONE who has parking to help our cause.
4. In fact, for the past 10 months on a continuous basis, we have approached every logical parking option to try to secure additional parking for MARRS.
5. Mr. Sidie took liberties by suggesting that Mike Krambs was one of his "Dissenting Owners". He did so without Mr. Krambs authorization. The reality is that Mike Krambs is a supporter of MARRS and understands what a truly positive impact it will have on the community (see Mr. Krambs Letter attached).
6. I would like to discuss MARRS and parking with the other "Dissenting Owners" to gauge their true views on MARRS. Again, at no time in our outreach efforts did we hear from those on the list.

If Mr. Sidie's letter is being presented to the Planning Commission on the 27th, I would appreciate this letter being presented as well to allow for a fair and balanced view on the parking situation at MARRS.

Thanks for your consideration,

Michael J. Heller, Owner MARRS

cc: Myrone Sidie

Attachment H – Letters of Opposition

9169300040
OCT-26-2005 16:28 FROM:THEIITIETH ST ART 9169300040 TO:8087185 P. 1

Planning Commission

*Fax ~~264-5328~~
808-7185*

Attention Midtown Neighbors:

Planning Commission Meeting
This Thursday at 5:30pm Historic City Hall 915 I St.

Subject: PO50086 Title: M.A.R.R.S.
Special Permit to Waive Parking

REC'D OCT 26 2005

The only real walking neighborhood in Sacramento is about to have a welcomed, but worrisome new neighbor. The M.A.R.R.S' project will bring restaurants, shops, loft spaces, and galleries. They plan to occupy the multi-use complex of 50,000 square feet in the old Mayflower Building at 20th & J.

The worrisome part is there so little parking space now and this project is asking for a special permit to waive parking requirements. (see Public Notice) Just the restaurant alone requires 88 parking spaces. The building has a few spaces of it's own, but the vast majority will be street and leased off street spaces. Spaces needed and being used **now** by visitors, residences, and small business owners.

Please join us in asking the Planning Commission to study the effect of a special permit to wave parking requirements will have on our neighborhood. An in-depth parking study should be done for our area. Perhaps the City will build a parking structure.

Attend the meeting,
Contact the Planning Commission Lindsey Alagozian 808-2659
Contact Councilman Steve Cohn 808-7003
Contact 20th St Art Gallery for a list of planning commission members.

The M.A.R.R.S project is welcomed, but with something of this size, the Planning Commission needs to give the neighborhood an assurance it will not dry up what little parking is available now.

Joanie & Jim Ferry
Joanie & Jim Ferry 20th St Art Gallery
911 20th St.
930-0500

Attachment H – Letters of Opposition

Lindsey Alagozian - P050086-MARRS-PROJECT

Page 1

From: <CaveyF@aol.com>
To: <Lalagozian@cityofsacramento.org>
Date: 10/25/05 2:41PM
Subject: P050086-MARRS-PROJECT

Hello Lindsey,
Nice chatting with you yesterday. Will you please see that this is included in the presentations before the Planning Commission at the Meeting Scheduled for 10/27/05
Thanks,
Florence

October 25, 2005
Members of the Planning Commission
I am unable to be present for your meeting and would like to voice my concerns about the granting of a parking variance or special permits for the MARRS Project.
I have read the Parking Overview and Strategy document dated July 18, 2005 and was impressed with the thoughts about alternative transportation: bicycle racks, lockers, showers, and spaces for alternative fuel vehicles. However, the report, as of that date, only marginally provided 17 actual parking places for regular cars to use during the day. I now understand that there may be 70 more spaces for evening use. According to your standards and requirements a project of this size and particular configuration should have 185 parking spaces. I realize that credits for past use enter into a formula that eventually gives a number of spaces that a project needs. The 70 night spaces may or may not be fine for the restaurant night use. The idea of Valet parking is a good strategy as long as the patrons are given a validation for the first two hours free.
My question is where are the folks from the 28,000sf office space, the patrons of the 11,500sf retail space, and the lunch patrons of the 4000sf restaurant space going to park during the day? Surely, the 17 spaces, and the 2 hr meters in the immediate area will not be adequate.
The project is lovely but the lack of parking negatively impacts all of the neighboring businesses and needs more of a solution than was proposed in their document.
I feel that the Proposed parking Strategy is lacking in concrete solutions and until the group can come up with some more actual day time parking places a variance or special permit should not be granted.
Thank you,
Florence Cavanaugh
Florence Cavanaugh,
Millie Cavanaugh Trust,
Bartley W. Cavanaugh Trust
2008 K Street
2026 K Street
2028 K Street

Attachment I – 2001 K Street Parking Lease Agreement to Applicant

PARKING LEASE AGREEMENT TRANSFER
Metcalf Family Trust to Mayflower Building Partners

This Agreement is entered into between MAYFLOWER BUILDING PARTNERS, LLC c/o HELLER PACIFIC, INC, from this point on known as LESSEE and MARJORIE IRENE BRUCE REVOLCABLE TRUST, MARJORIE IRENE BRUCE, TRUSTEE, from this point on known as LESSOR on this 31st day of March, 2003, as set forth below.

Recitals

1. MAYFLOWER BUILDING PARTNERS, LLC c/o HELLER PACIFIC, INC, is the owner of that certain real property commonly known as the Building located at 1050 20th Street, Sacramento, California. The property is used for office purposes.
2. MARJORIE IRENE BRUCE REVOLCABLE TRUST, MARJORIE IRENE BRUCE, TRUSTEE is the owner of that certain real property commonly known as 2001 K Street, Sacramento, California. The property is used for commercial purposes.
3. A map showing the properties owned by the respective parties is marked Exhibit A and is attached hereto and hereby incorporated.
4. The office use of the LESSEE'S property requires additional parking. LESSOR has property she is willing to lease to LESSEE for parking purposes.

NOW, THEREFORE, the parties hereto agree to the following:

Covenants and Conditions

5. Commencing March 1, 2003 through February 28, 2011, LESSOR hereby leases to LESSEE the area marked METCALF PARKING SPACES on Exhibit A ("the parking lot") for the purpose of parking motor vehicles. However, if during the eight (8) year period, landlord redevelops the property or parking becomes an issue for any development of the property located under Assessor Parcel Number 007-0085-012, landlord may terminate the parking lease agreement early by giving tenant six (6) months prior written notice.

Attachment I – 2001 K Street Parking Lease Agreement to Applicant

- 6. The monthly rent for the first two (2) year term (3/1/03-2/28/05) shall be \$1,440.00 per month to include (17 parking spaces and 1 dumpster storage space). Rent shall begin retroactively on the date of March 1, 2003.
- 7. Rent structure will be based on an increase every 24-month period (see rent schedule below).

RENT SCHEDULE FOR EIGHT (8) YEAR PERIOD

<u>Period</u>	<u>Rent/ Monthly</u>
3/01/2003- 2/28/2005	\$ 1,440.00
3/01/2005- 2/28/2007	\$ 1,530.00
3/01/2007- 2/28/2009	\$ 1,620.00
3/01/2009- 2/28/2011	\$ 1,710.00

- 8. It is understood that the dumpster storage area located on LESSOR'S property next to the alley, is to be shared between the LESSEE and LESSOR. It is also understood that the cost to LESSEE for its shared use of area is equal to the fee for one parking space and likewise due each month.
- 9. Rent for each month shall be paid on or before the 10th day of each such month. Payments are to be made payable to Marjorie I. Bruce and delivered to 7861 Rush River Drive, Sacramento, California 95831. A late fee of \$50.00 shall apply to all payments not received by the 10th day of the month for which it is due.
- 10. LESSEE'S exclusive use of the subject parking is limited to the hours of 6 a.m. to 6 p.m. Monday through Friday. Weekend parking is open, but subject to availability. The only exception will be for one van/vehicle that will have 24-hour use of one (1) parking space 7 days a week.
- 11. LESSOR expressly provides that no bailment is established through this lease. It is therefore acknowledged by LESSEE that no security is to be provided and parking is at LESSEE'S and tenants sole risk.
- 12. LESSEE shall not sublet the parking lot or driveway or any portion thereof or any improvements thereon without the prior written consent of LESSOR, which consent shall not be unreasonably withheld.

Attachment I – 2001 K Street Parking Lease Agreement to Applicant

- 13. This agreement shall be binding on the heirs, executors, and assigns of the parties.
- 14. This agreement represents the sole agreement of the parties as it pertains to the subject matter herein and there is no other term or condition, either oral or written, pertaining hereto. All amendments to, or any cancellation of all or any portion of this Agreement shall be in writing.
- 15. If any legal action is necessary to enforce this lease, the prevailing party shall be entitled to reasonable attorneys fees, costs of suit and collection, in addition to any other relief to which it may be entitled.

WHEREFORE, the parties hereto have entered into this Agreement on the date and year first above written.

LESSOR:

LESSEE:

Marjorie Irene Bruce

 MARJORIE IRENE BRUCE REVOLCABLE TRUST
 MARJORIE IRENE BRUCE, TRUSTEE

 MAYFLOWER BUILDING PARTNERS, LLC
 MICHAEL HELLER, PARTNER

Heller Pacific, Inc.
 A California Corporation
 BY: *[Signature]*

 ITS: _____
 DATE *6/6/05*

Attachment J – 2001 K Street Parking Lease Agreement of Office Tenant



MARRS LEASE

This Lease ("Lease") is entered into as of the date set forth in Section 1.1, by and between Landlord and Tenant.

ARTICLE 1 - BASIC LEASE PROVISIONS

- 1.1 **Execution Date:** June 28, 2005
- 1.2 **Landlord:** Mayflower Building Partners, LLC a California limited liability company
- 1.3 **Tenant:** The_HLA Group, Landscape Architects & Planners, Inc., a California corporation
- 1.4 **Complex:** The building and the common area located at 1050 20th Street, Sacramento, California as shown on Exhibit A. The Rentable Floor Area of the Complex is estimated to be 47,449 rsf.
- 1.5 **Premises:** A portion of the second floor of the building located at 1050 20th Street as shown as "Tenant A" on Exhibit A-1 (Article 2)
- 1.6 **Floor Area:** Approximately 13,369 ^{sq. ft. A} square feet of Usable Floor Area on the second floor (Article 2)
- 1.7 **Term:** Ten (10) Years, Five Months with two (2) Option Term(s) of five (5) years each (Article 3)
- 1.8 **Time to Complete Tenant's Work:** Tenant shall be ready to commence tenant improvements as soon as Landlord delivers the space estimated to be February 1, 2006. Tenant and Landlord shall work together to meet all construction deadlines. Tenant's five (5) month's free of rent and CAMS shall begin upon Tenant's Substantial Completion of the Premises and upon issuance of a Temporary Certificate of Occupancy.
- 1.9 **Minimum Rent:** Per Month (per Rentable Floor Area of 15,241)

Months	PSF per Month	Monthly Amount
01-05	Free	
06-17	\$1.55	\$23,657.65
18-29	\$1.60	\$24,420.80
30-41	\$1.65	\$25,183.25
42-53	\$1.70	\$25,947.10
54-65	\$1.75	\$26,710.25
66-77	\$1.80	\$27,473.40
78-89	\$1.85	\$28,236.55
90-101	\$1.90	\$28,999.70
102-113	\$1.95	\$29,762.85
114-125	\$2.00	\$30,526.00

- 1.10 **Permitted Use:** The Premises shall be used only for general office use and for no other use or purpose. (Article 6)
- 1.11 **Insurance Limits:** Two Million Dollars (\$2,000,000.00) annual aggregate (Article 16)
- 1.12 **Security Deposit:** Twenty Three Thousand Six Hundred Fifty Seven and 65/100 dollars (\$23,657.65).
- 1.13 **Guarantor:** None
- 1.14 **Broker:** John E. Frisch, Cornish & Carey Commercial
- 1.15 **Notices:**

To Landlord: Mayflower Building Partners, LLC
 11211 Gold Country Blvd. #106
 Gold River, CA 95670

Attachment J – 2001 K Street Parking Lease Agreement of Office Tenant

There are no Hazardous Materials on the Premises except as identified in the Report. If, during the Term of the Lease, Tenant becomes aware of any Hazardous Materials in the Premises, Tenant will immediately stop construction or business operations, as the case may be, and notify Landlord of the existence of such Hazardous Materials. If the Hazardous Materials was introduced into the Premises by Tenant, Landlord, at Tenant's cost, shall remove such Hazardous Materials. Such removal shall be done in accordance with then current industry removal standards and applicable law. Tenant shall pay all invoices for such work within twenty (20) days after receipt. If the Hazardous Materials discovered by Tenant was not introduced into the Premises by Tenant and/or existed on the Premises prior to delivery of the Premises to Tenant, Landlord shall, at Landlord's sole cost and expense, remove or contain such Hazardous Materials, and in such event, the Time to Complete Tenant's Work shall be extended one day for each day of delay in construction resulting from the discovery and removal of such Hazardous Materials or rent will abate until such Hazardous Materials are removed or contained, on a day for day basis until Tenant can operate its business from the Premises, as applicable.

ARTICLE 44 - COVENANTS, CONDITIONS AND RESTRICTIONS

Tenant covenants and agrees that Tenant shall not use, shall use its diligent efforts not to permit any of its officers, employees, agents, servants or contractors to use, and shall use its reasonable efforts not to permit its customers to use, the Premises or Common Areas or any part thereof for any use or purpose in violation of the laws of the United States of America, the State of California, or the ordinances, regulations or requirements of the local municipal or county governing body or other lawful authorities having jurisdiction over the Complex (collectively "Laws").

ARTICLE 45 - LANDLORD EXCULPATION

It is expressly understood and agreed that notwithstanding anything in this Lease to the contrary, and notwithstanding any applicable law to the contrary, the liability of Landlord hereunder (including any successor landlord hereunder) and any recourse by Tenant against Landlord shall be limited solely and exclusively to the interest of Landlord in and to the Complex, and subject to the rights of any Mortgagee, the rental income, revenue and profits derived therefrom after a judicial determination of Landlord's liability, and neither Landlord, nor any of its constituent partners, shall have any personal liability therefor, and Tenant, on behalf of itself and all persons claiming by, through or under Tenant, hereby expressly waives and releases Landlord and such partners from any and all personal liability.

ARTICLE 46 - PARKING

Tenant shall have the right, but not the obligation, to rent the nine (9) parking spaces numbered 8 through 17 on the parking lot located at 2001 K Street, referred hereto and shown on Exhibit D-1. Tenant shall pay the cost, without any markup, charged to Landlord for these nine (9) spaces as represented by Landlord's lease with the parking lot owner (Exhibit D). These spaces will be available to Tenant during the Business Hours of 7:00 a.m. to 6:00 p.m. Monday through Friday. Landlord can only offer the parking per the terms of the Lease Landlord has with the parking lot's owner (Exhibit D-1). Landlord shall make reasonable efforts to extend such Lease through the term of this Lease and further. In the event Landlord secures additional reasonable parking within a two (2) block radius of the Building, Tenant shall be obligated to use such parking for its needs beyond the nine (9) spaces across the street provided that the rate is in line with the market for comparable parking in the area. Tenant acknowledges that Tenant will have parking spaces 11-17 at commencement of its Lease but will not gain parking spaces 8 and 9 until the State vacates.

M
X
T

IN WITNESS WHEREOF, the parties hereto have set their hands and executed this Lease on the day and at the place set forth on Page 1 hereof. This Lease has attached hereto as a part hereof: Exhibits A (Site Plan); A-1 Floor Plan, B (Landlord's work); C (Tenant's work), Exhibit C-1 (Building Shell Specification), Exhibit D (Parking Lot Lease), Exhibit D-1 (Tenant Parking Spaces).

LANDLORD:

Mayflower Building Partners, LLC
a California limited liability company

By: Michael J. Heller, Jr.
Michael J. Heller, Jr.
Its: Managing Member

TENANT:

The HLA Group, Landscape Architects & Planners,
Inc., a California corporation

By: John H. Nicolaus
John H. Nicolaus
Its: President

8/31 2005

Attachment K – 2020 J Street Parking Lease Agreement

Oct 07 05 12:30p

Jennifer Leahy

9169616097

P. 2

PARKING LEASE AGREEMENT
2020 J Street

This Parking Lease Agreement (the "Lease"), is entered into between Midtown Building Investment, a California General Partnership, ("Landlord") and Mayflower Building Partners, LLC company ("Tenant"), on September 1, 2006 (the "Effective Date"). Landlord and Tenant (sometimes referred to in this Lease as the "Parties"), agree as follows:

1. **Lease of Premises.** Landlord hereby leases to Tenant 72 surface parking spaces, on the terms set forth in this Lease, the real property located at the half block on K/J Streets between 20th and 21st Streets, Sacramento, California (the "Premises"). The Premises are shown on the diagram attached to this Lease as Exhibit A.

2. **Term** The term of this Lease is five (5) years after the Effective Date (the "Term").

3. **Operation of the Premises** Tenant shall be entitled to use the Premises for parking. Tenant shall use the Premises in compliance with applicable laws. Tenant shall maintain the Premises in a neat and clean condition **including removal of trash and debris on a daily basis. In addition, Tenant shall provide parking lot use enforcement during its Hours of Operation.** Tenant shall be entitled to the quiet enjoyment of the Premises in accordance with the provisions of this Lease. **Hours of Operation shall be 6:00pm to 2:00am weekdays and 11:00am to 2:00am on weekends. Landlord's office tenants shall receive vouchers or identification stickers that allow them to park on Premises at all times and at no charge. Tenant to ensure that cars are removed nightly so that Landlord's daytime tenants can utilize the lot.**

4. **Rent.** Tenant shall pay to Landlord as rent for the Premises pursuant to the following monthly schedule:

Years 1-5 \$1,800 per month year one with 4% annual increases

Rent shall be due on the first day of each month, beginning on the Effective Date.

5. **Capital Improvements** Tenant shall have the right to make capital improvements with Landlord's reasonable written approval at the Premises, including, without limitation, signage, lighting, re-striping, and other items related to Tenant's operation of the Premises. Such fixtures and improvements shall be at the sole expense of Tenant. **Any increase in utility costs as a result of parking operation shall be Tenant's expense. Should Tenant's use of lot for public valet parking cause the City of Sacramento or any other entity that has jurisdiction to require future improvements, then assuming Landlord approves, Tenant can elect to pay for such improvements or Landlord can terminate this Lease. Tenant to share in costs of**

Attachment K – 2020 J Street Parking Lease Agreement

Oct 07 05 12:31p

Jennifer Leahy

9169616097

p. 3

parking lot routine paving maintenance not to exceed \$4,000.00 during term of Lease.

6. Insurance. Tenant shall maintain the following insurance policies during the Term:

- (a) Commercial General Liability insurance in the amount of at least One Million Dollars (\$1,000,000), covering Tenant's operations at the Premises, including automobile liability coverage. Landlord shall be named as an additional insured on this policy.
- (b) Workers Compensation insurance in accordance with applicable laws.
- (c) Garagekeeper's Legal Liability insurance in the amount of at least Three Hundred Fifty Thousand Dollars (\$350,000) per occurrence. Landlord shall be named as an additional insured under this policy.
- (d) Umbrella Insurance policy in the amount of \$2,000,000.

Tenant shall provide Landlord with a certificate(s) of insurance evidencing the above coverages. Such certificate shall provide that Landlord shall be entitled to written notice in the event the coverages are materially changed or terminated.

7. Taxes. Landlord shall be responsible for the timely payment of all real property taxes and assessments concerning the Premises.

8. Utilities. Tenant shall pay the charges for all utilities used by Tenant at the Premises

9. Landlord's Right to Terminate. Landlord shall have the right to terminate Tenant's lease in the event that Landlord sells or develops the subject property. Landlord shall provide Tenant with at least one hundred twenty (120) days prior written notice

10. Tenant's Right and Obligations

a. Tenant shall have the right to terminate this Lease upon thirty (30) days written notice to Landlord in the event that (a) the Premises are materially damaged or destroyed, or the Premises become subject to a condemnation proceeding by governmental authority, in either event such that all or any portion of the Premises cannot be used for the parking of vehicles, (b) laws, regulations or terrorist attack that materially restrict the operation of vehicles or result in a material decrease in vehicular traffic.

Attachment K – 2020 J Street Parking Lease Agreement

Oct 07 05 12:32p

Jennifer Leahy

9169616097

P. 4

b. Tenant covenants as follows:

Tenant shall assume complete and total responsibility for all aspects of the daily operation, maintenance, and repair of the Premises during Tenants operation of the Premises so as to operate the Premises parking garage/lot in accordance with the standards maintained by other parking Premises in the City of Sacramento. Tenant's responsibilities include, without limitation, a duty to:

- (i) employ, supervise, discharge, uniform, and payroll employees or contractors necessary or desirable to be employed in the efficient operation, management, maintenance, and care of the Premises in a first-class manner and condition;
- (ii) determine and implement reasonable protective measures to assure the welfare and safety of all patrons utilizing the Premises, including, if reasonably necessary, the hiring and stationing of security guards on or about the Premises, the installation and maintenance of security lighting, and/or the installation, maintenance, and monitoring of security cameras.
- (iii) perform and supervise routine cleanup of the Premises and maintain the parking access and revenue control and all other parking-related equipment therein in a neat and clean condition and in good operating condition, as required for operation of the Premises in a first-class manner and condition;
- (iv) handle in a courteous, timely, and equitable manner all complaints or claims that may arise from time to time relating to the operation of the Premises whether directed to Tenant or directed to Landlord and referred to Tenant.
- (v) make every reasonable effort to protect all automobiles and motor vehicles and the contents thereof from theft, vandalism, damage, or casualty while under the care, custody, possession, or control of Tenant or any of its employees or agents;
- (vi) comply with and adhere to any collective bargaining or other labor agreement to which it is subject; and
- (vii) procure any and all permits or licenses necessary for the operation of the Premises.

11. The occurrence of any one or more of the following events ("Events of Default") shall constitute a breach of this Lease by Tenant:

- (a) Tenant fails to pay any rental due hereunder when it becomes payable and such failure continues for 10 days after notice thereof from Landlord;
- (b) Tenant fails to pay any other sum due hereunder and such failure continues for 10 days after notice thereof from Landlord;
- (c) Tenant fails to perform or observe any other term hereof to be performed or observed by Tenant, such failure continues for more than 30 days after notice thereof from Landlord, and Tenant does not within such period commence with due diligence and dispatch the curing of such default, or, having so commenced, thereafter fails or neglects to prosecute or complete with due diligence the curing of such default, or such default repeatedly occurs notwithstanding prior cures by Tenant;
- (d) Tenant makes a general assignment for the benefit of creditors; or admits in writing its inability to pay its debts as they become due or files a petition in bankruptcy, or is adjudicated as bankrupt or insolvent or files a petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any present or future statute, law, or regulation; or files an answer admitting or fails timely to contest the material allegations of a petition filed against it in any such proceeding; or seeks or consents to or acquiesces in the appointment of any trustee, receiver, or liquidator of Tenant or any material part of its property;

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Jennifer Leahy

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(e) Within 90 days after the commencement of any proceeding against Tenant seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any present or future statute, law or regulation, such proceeding has not been dismissed, or, within 90 days after the appointment without the consent or acquiescence of Tenant, of any trustee, receiver, or liquidator of Tenant or of any material part of its properties, such appointment has not been vacated; or

(f) This Lease or any estate of Tenant hereunder is levied upon under any attachment or execution and such attachment or execution is not vacated within 10 days.

12. Termination upon Default. If an Event of Default shall occur, Landlord at any time thereafter may give a termination notice to Tenant, and on the date specified in such notice (which shall not be less than three days after the giving of such notice) Tenant's right to possession shall terminate and this Lease shall terminate, unless on or before such date all arrears of rental and all other sums payable by Tenant under this Lease, and all costs and expenses incurred by or on behalf of Landlord hereunder, including attorney fees incurred in connection with such defaults, shall have been paid by Tenant and all other breaches of this Lease by Tenant at the time existing shall have been fully remedied to the satisfaction of Landlord. Upon such termination, Landlord may recover from Tenant:

(a) the worth, at the time of award, of the unpaid rental that had been earned at the time of termination;

(b) the worth, at the time of award, of the amount by which the unpaid rental that would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could reasonably have been avoided;

(c) the worth, at the time of award, of the amount by which the unpaid rental for the balance of the term of this Lease after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided; and

(d) any other amount necessary to compensate Landlord for all the detriment that is proximately caused by Tenant's failure to perform its obligations under this Lease or that in the ordinary course of things would be likely to result there from.

Landlord has duty to use best efforts to release Premises to create new rental income (mitigate damages).

The "worth at the time of award" of the amount referred to in clauses (a) and (b) above is computed by allowing interest at the highest rate permitted by law. The worth at the time of award of the amount referred to in clause (c) above is computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus 1%. For the purpose of determining unpaid rental under clause (c) above, the monthly rent reserved in this Lease shall be deemed to be the amounts last payable by Tenant pursuant to section 5 above (both minimum and percentage) for the calendar year in which the award is made.

12. Landlord's Default Landlord shall not be in default under this Lease unless and until Tenant has provided Landlord with written notice of such default and Landlord fails to cure such default within thirty (30) days after receipt of Tenant's written notice, with respect to all other defaults, unless such default cannot be reasonably cured within thirty (30) days, and then within a reasonable period of time. This Section does not limit the remedies of Tenant that are described in Section 12 of the Operating Standards.

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13. Assignment. Tenant shall not assign or sublet any portion of the Premises, whether by operation of law or otherwise, without prior written consent of Landlord, which shall not be unreasonably withheld.

14. Notices. Any notice or other communications given under this Lease shall be in writing and shall be deemed to have been given when personally delivered or when delivered by private, courier service, addressed to the parties as follows:

If to Landlord: Midtown Building Investment, A
California General Partnership
1015 27th Street
Sacramento, CA 95816
Attn: Dave Scurfield
(916) 446-7211

If to Tenant: Mayflower Building Partners, LLC
c/o The Heller Companies
11211 Gold Country Blvd. #106
Gold River, CA 95670
Attn: Michael J. Heller
Fax (916) 635-6888

15. Interpretation. This Lease shall be governed by California law, excluding the effect of any conflicts of law provisions that would cause the application of laws of other jurisdictions. This Lease has been drafted by a joint effort of the parties and shall be interpreted without regard to consideration of which party is the drafting party, and the parties hereby waive any laws or court decisions providing otherwise. Section headings used in this Lease shall not be used to interpret the provisions of this Lease. If for any reason any provision of this Lease is determined by a court to be invalid, then the remaining provisions of this Lease shall not be affected. The Parties acknowledge that they have read and understand each of the provisions of this Lease

16. Attorneys' Fees. In the event of any litigation, arbitration or other legal proceedings to enforce or interpret the provisions of this Lease, the prevailing party in such dispute shall be entitled to recover its reasonable attorneys' fees and costs, including experts' fees and costs on appeal, from the non-prevailing party. For purposes of this Section, the "prevailing party" shall be the party that receives substantially the result sought, whether by settlement, judgment or dismissal.

17. Indemnification:
(a) Tenant agrees to defend, indemnify, and hold harmless Landlord, its partners, shareholders, employees, officers, directors, and agents; the partners, shareholders, employees, officers, directors, or agents of any of Landlord's partners (collectively, the "Indemnified Parties") from any and all loss, cost, liability, damage, and expense, including, without limitation, penalties, fines, and attorney fees and costs, incurred in connection with or arising from any cause whatsoever in, on, or about the Premises arising from Tenant's use thereof, including, without limiting the generality of the

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foregoing: (i) any default by Tenant in the observance or performance of any of the terms, covenants, or conditions of this Lease on Tenant's part to be observed or performed, (ii) the use or occupancy or manner of use or occupancy of the Premises by Tenant or any person or entity claiming through or under Tenant, (iii) the condition of the Premises or any occurrence or happening on the Premises from any cause whatsoever, (iv) any violation of Legal Requirements by Tenant or any person or entity claiming through or under Tenant, or by the agents, contractors, employees, subtenants, licensees, invitees, or visitors of Tenant (v) any acts, omissions, or negligence of Tenant or any person or entity claiming through or under Tenant, or of the agents, contractors, employees, subtenants, licensees, invitees, or visitors of Tenant or any such person or entity, in, on, or about the Premises, related to events occurring or alleged to have occurred during the term of this Lease, including, without limitation, any acts, omissions, or negligence in the making or performing of any alterations, or (vi) any claim arising out of the failure or the alleged failure of Tenant or Landlord to provide security to the Premises. Tenant further agrees to defend, indemnify, and hold harmless the Indemnified Parties from and against any and all loss, cost, liability, damage, and expense, including, without limitation, attorney fees and costs, incurred in connection with or arising from any claims by any persons by reason of injury to persons or damage to property occasioned by any use, occupancy, condition, occurrence, happening, act, omission, or negligence referred to in the preceding sentence. In the event any action or proceeding is brought against any Indemnified Party for any claim against which Tenant is obligated to indemnify such Indemnified Party under this Lease, Tenant, upon notice from such Indemnified Party, shall defend such action or proceeding at Tenant's sole expense by counsel approved by such Indemnified Party

Additionally, Landlord shall provide Tenant with the same indemnification and hold harmless as stated above for claims that might arise when Tenant is not in use of Premises (ie. Hours other than the stated Hours of Operation in Paragraph 3)

18. Miscellaneous Provisions

(a.) This Lease shall be binding upon the Parties and their respective successors and assigns. This Lease shall not be amended except by a written agreement signed by the Parties. This Lease may be executed in multiple counterparts, together which shall constitute one instrument. The waiver of any provision of this Lease or the failure of a party to insist on the strict performance of any provision of this Lease shall not be considered as a waiver of any subsequent breach. Time is of the essence of this Lease. This Lease, together with Exhibit A (Depiction of the Premises), which are incorporated as part of this Lease, shall constitute the parties entire agreement with respect to the subject matter of this Lease, and any oral representations or modifications shall be of no force or effect.

The Parties have executed this Lease as of the Effective Date.

LANDLORD

By: David L. [Signature]

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Name: David Sewshield

Its: General Partner

Date: 10/7/05

TENANT

Mayflower Building Partners, LLC



Date: 10/7/05

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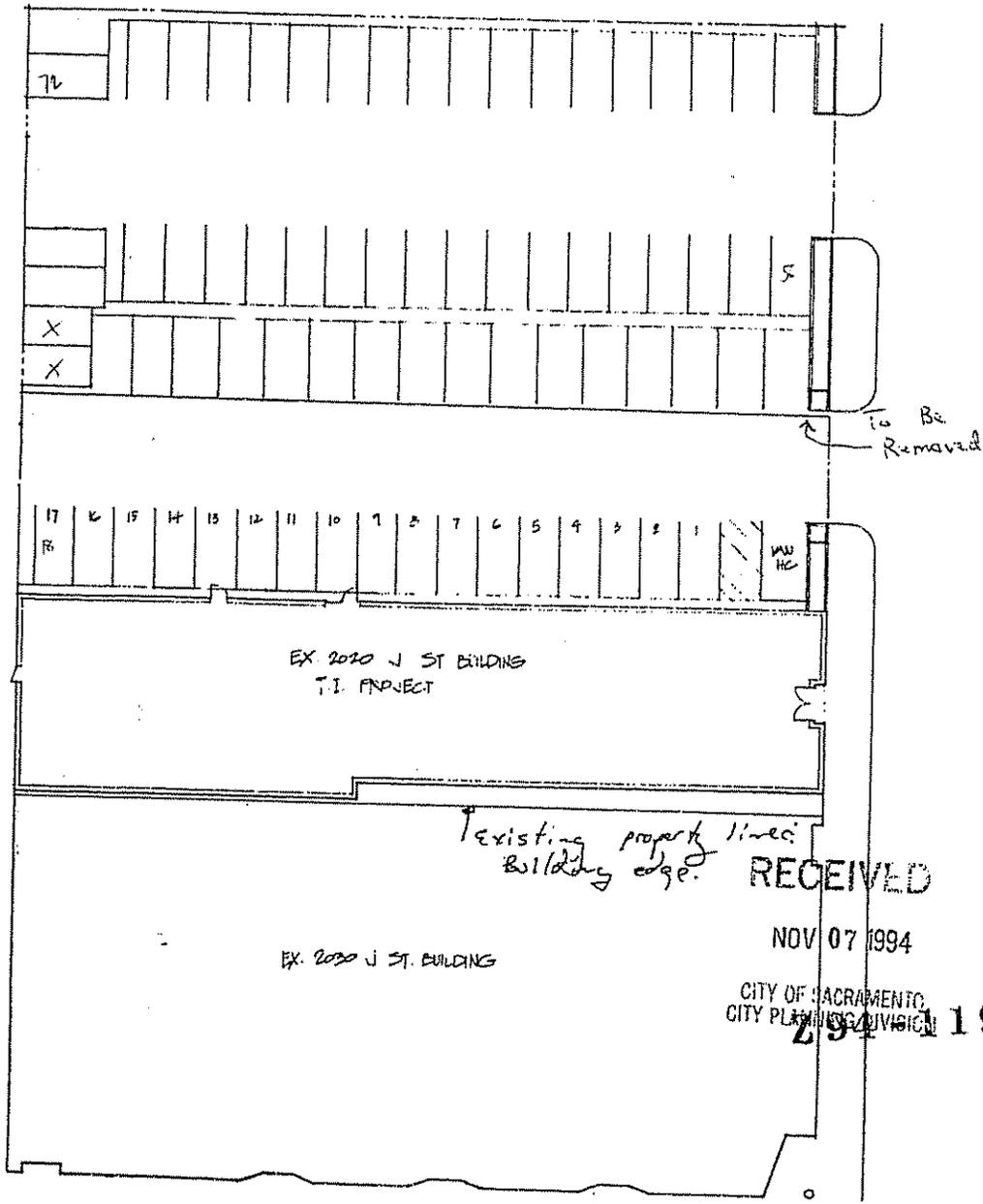
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EXHIBIT A



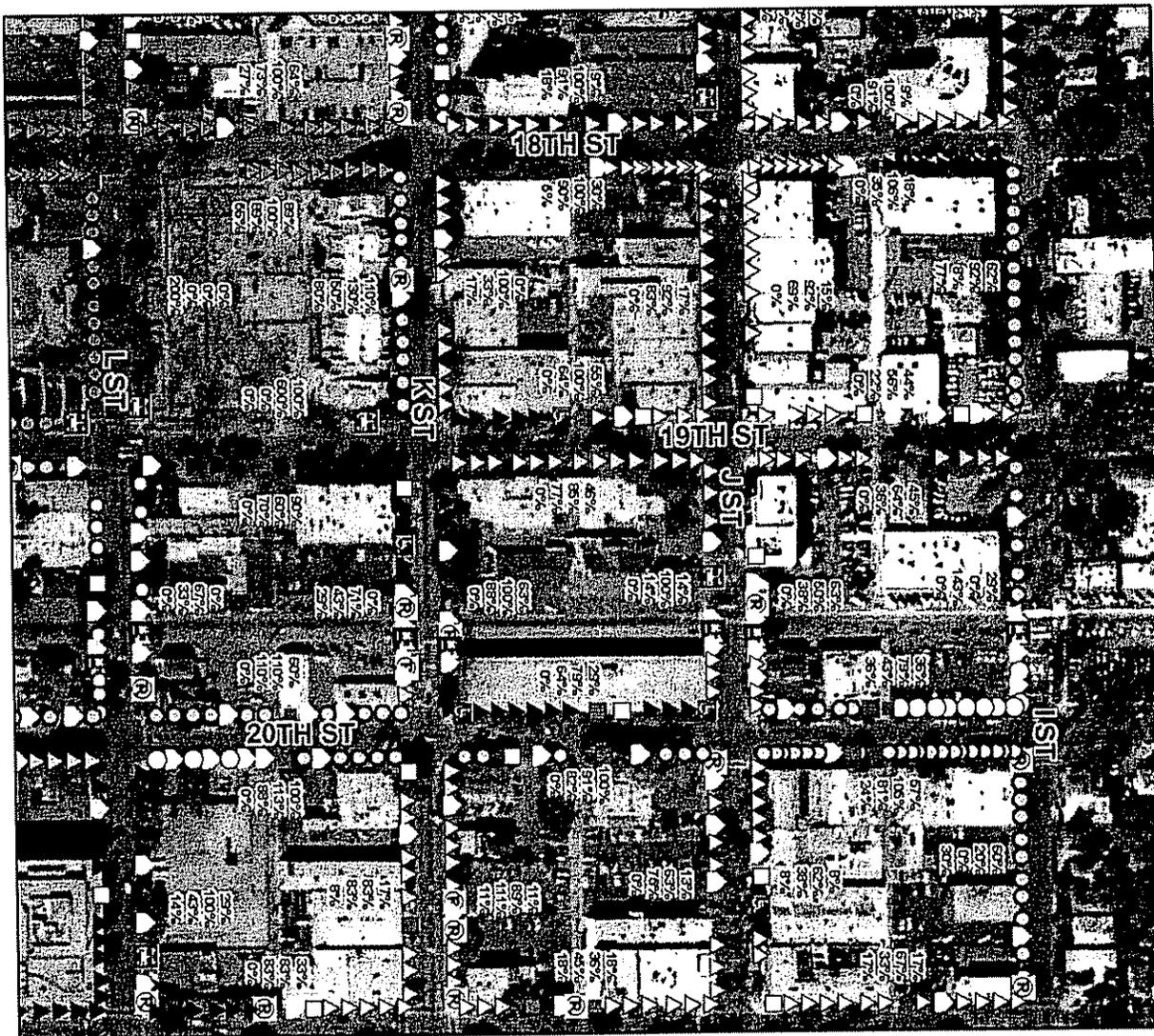
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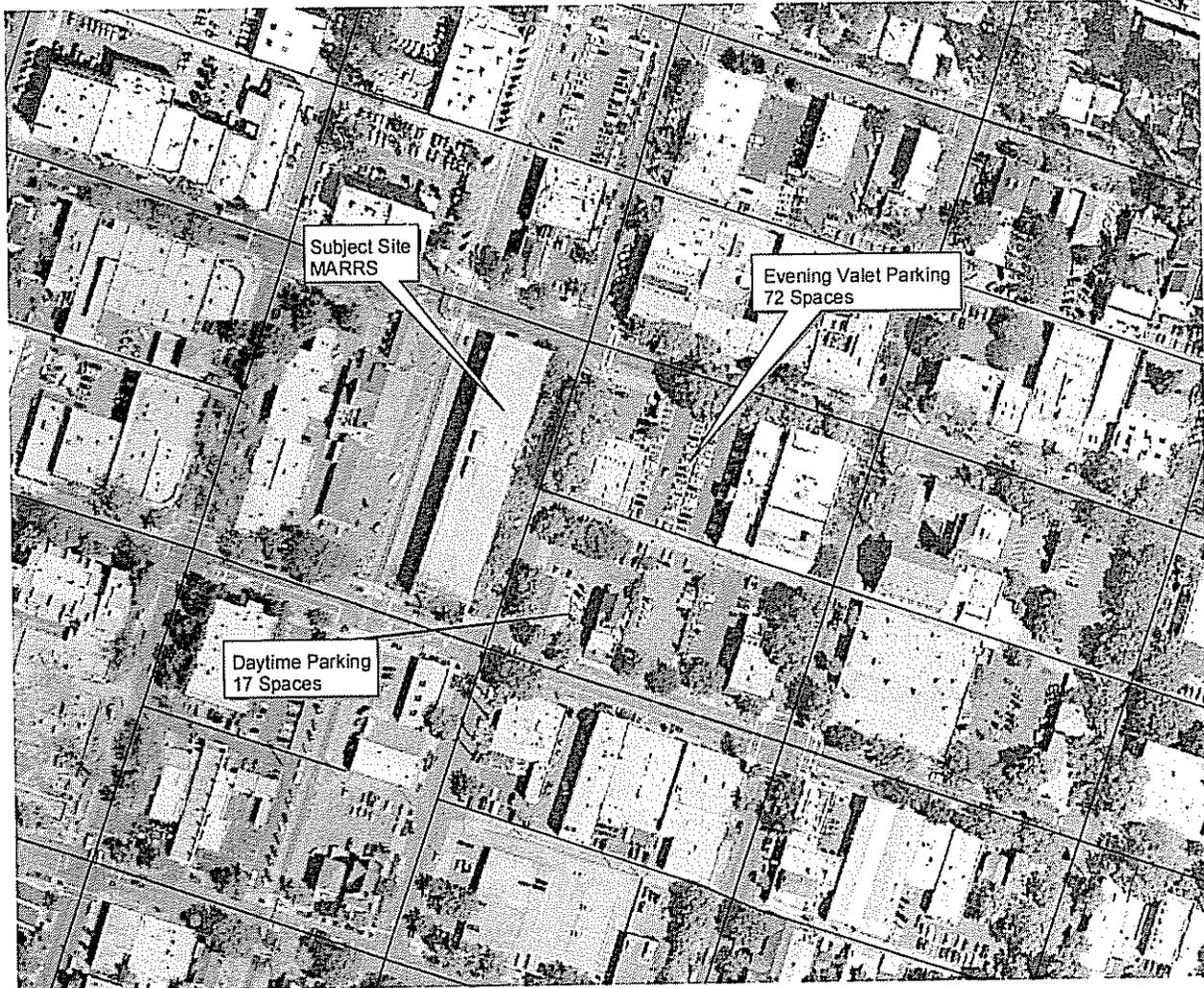
ITEM 1

Attachment L – Central City Parking Plan Map

- Legend**
- TYPE**
- Unrestricted
 - 1 Hour No Meter
 - △ 1 Hour Meter
 - ⊙ 90 Minutes No Meter
 - △ 90 Minute Meter
 - 2 Hour No Meter
 - △ 2 Hour Meter
 - Green
 - Green 15 Minutes
 - ALLEY
 - Bus
 - Driveway
 - Disabled
 - ▲ 10 Hour Meter
 - Ⓡ Red
 - Ⓡ Railroad
 - White
 - Yellow
- Occupancy (%)**
- Daytime (10am-2pm)
 - Evening (7pm-9pm)
 - Night (10pm-12am)
 - Morning (2am-5am)



Attachment M – Aerial View of Proposed Off-Site Parking



RESOLUTION NO.

Adopted by the Sacramento City Council

December 6, 2005

A RESOLUTION ADOPTING THE NOTICE OF DECISION AND FINDINGS OF FACT APPROVING THE APPEAL OF THE PLANNING COMMISSION DECISION TO DENY THE VARIOUS ENTITLEMENTS FOR THE MARRS PROJECT, LOCATED IN THE CENTRAL CITY AT 1930 J STREET. (P05-086) (APN: 007-0083-003 AND 007-0085-016)

BACKGROUND

- A. On August 17, 2005, the Design Review Preservation Board approved the design of the proposed project;
- B. On October 27, 2005, the City Planning Commission denied the requested entitlements;
- C. On November 1, 2005, the decision of the City Planning Commission denying these entitlements was appealed by the applicant; and
- D. On December 6, 2005, the City Council heard and considered evidence in the above-mentioned matter.

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

- Section 1. At the regular meeting of December 6, 2005, the City Council heard and considered evidence in the above entitled matter. Based on verbal and documentary evidence at said hearing, the City Council took the following actions for the location listed above:
 - A. Approved the Applicant's Appeal of the Planning Commission's decision to deny various entitlements for the project known as the MARRS project.

These actions were made based upon the following findings of fact and subject to the following conditions:

Section 2. **FINDINGS OF FACT**

A. Environmental Determination: The City Planning Commission finds that the project is Exempt pursuant to CEQA Section 15301.

B-D. Special Permits to exceed the maximum 25% office use to 50%, waive parking spaces associated with commercial uses, and to locate parking off-site for commercial uses: The **Special Permits** to exceed the maximum 25% office use to 50%, waive parking spaces associated with commercial uses, and to locate parking off-site for commercial uses in the Heavy Commercial (C-4) zone are hereby approved based upon the following findings of fact:

1. Granting the Special Permits is based upon sound principles of land use in that the proposed use will not adversely affect the peace and general welfare of the surrounding commercial neighborhood, in that the project is designed to be pedestrian friendly and compatible with surrounding commercial uses;
2. Granting the Special Permits would not be detrimental to the public welfare nor result in the creation of a public nuisance in that the project provides adequate parking for the commercial uses off-site for both daytime and evening hours; and
3. The proposed project is consistent with the proposed City of Sacramento General Plan and Central City Community Plan designations, and the requirements of the Heavy Commercial (C-4) zone.

Section 3. **CONDITIONS OF APPROVAL**

B. The **Special Permit** to exceed the maximum 25% office use to 50% in the C-4 zone is hereby **approved** subject to the following conditions of approval:

General:

- B1) The applicant shall obtain all necessary building permits prior to commencing construction.
- B2) The project shall comply with all Design Review conditions of approval (DR05-210).

Building

- B3) The applicant shall submit a building area analysis to show the building is compliant.

- B4) The restaurant areas shall have two exits per CBC Table 10-A.

Fire

- B5) Provide appropriate Knox access for the site.
- B6) Locate and identify Fire Department Connections (FDCs) on the address side of the building within 40 feet of a fire hydrant.

Utilities

- B7) The applicant is responsible for the protection and repair of the existing City water main under the building during construction on the structure. Contact Underground Service Alert at 1-800-642-2444, 48 hours before work is to begin.
- B8) This project is served by the Combined Sewer System (CSS). Therefore, the developer/property owner will be required to pay the Combined System Development Fee prior to the issuance of any building permit. The impact to the CSS due to increase in the estimated sewer flows by the conversion of 10,000 square feet of office to restaurant use is estimated to be 18 ESD. The Combined System fee at time of building permit is estimated to be \$1,890 plus any increases to the fee due to inflation and credit for existing sanitary sewer flows from the site. The fee will be used for improvements to the CSS.

Street Trees

- B9) Prior to the issuance of building permits a 6-foot chain link fence (or other fence acceptable to the City Arborist) shall be installed under the direction of the City Arborist (768-8604) around the city street trees. Orange plastic fencing is not acceptable for city trees. The fencing shall remain in place for the duration of the project except for the temporary removal required to install the seating wall replace existing curb, gutter, and sidewalk. The close proximity of the work around the street trees may not allow fencing. Therefore the trunks will be protected with tree wrap, and surface roots will be bridged with plywood. Dimensions will be contingent upon tree size and species.
- B10) The contractor shall hire an International Society of Arboriculture (ISA) certified arborist to do any root pruning. The arborist will also make weekly inspections to monitor these tree protection measures. The arborist will take any required action, i.e. supplemental irrigation, fertilization, and soil compaction remediation to ensure the health of the trees. In areas of dispute the City Arborist shall have final authority. Contractor will be responsible for any costs incurred.
- B11) No excavation for utilities, trenching, grade changes, storage of materials

or parking of vehicles shall be allowed within the fenced area. Boring or hand trenching for utilities may be allowed inside the fenced area with approval by the City Arborist and under the supervision of the project arborist. A true grade beam footing will be used for the seating wall around the trees.

- B12) If during excavation for the project or for any necessary sidewalk, curb, gutter repair or driveway construction, tree roots greater than two inches in diameter are encountered, work shall stop immediately until project arborist can perform an on-site inspection. All roots shall be cut clean, and the tree affected may require supplemental irrigation/fertilization and pruning as a result of root pruning.
- B13) The contractor shall be held liable for any damage to existing street trees, i.e. trunk wounds, broken limb, pouring of any deleterious materials, or washing out concrete under the drip line of the tree. Damages will be assessed using the "Guide to Plant Appraisal." ninth edition, published by the ISA. The project arborist will submit a report for review by the City Arborist.
- B14) The 12-inch diameter evergreen pear (*Pyrus kawakamii*) and 3-inch diameter Bradford pear (*Pyrus calleryana*) have been approved for removal. The 3-inch tree will be replaced with a 24-inch box size tree. Mitigation for the 12-inch evergreen pear will be monetary compensation for the appraised tree value assessed using the "Guide for Plant Appraisal" ninth edition, published by the International Society of Arboriculture. The project arborist will appraise the tree and submit the appraisal for review and approval by the City Arborist. Prior to the issuance of the removal permit the applicant will provide a letter of credit for the tree value. If space is available, additional street trees can be installed; the applicant will receive a credit for the cost of the tree and installation.
- B15) The trees to be saved and the protection methods noted above shall be identified on all building site plans for the project.

Development Engineering and Finance

- B16) Except as noted in C-5, the applicant shall construct standard public improvements as noted in these conditions pursuant to section 18.04.020 of the City Code. Improvements shall be designed and constructed per City standards in place, or secured by City approved agreement, at the time that the Building Permit is issued. All improvements shall be designed and constructed to the satisfaction of the Development Engineering and Finance Division. Any public improvement not specifically noted in these conditions shall be designed and constructed to City standards.

- B17) Repair or replace/reconstruct any existing deteriorated curb, gutter and sidewalk per City standards to the satisfaction of the Development Engineering and Finance Division.
- B18) The site plan shall conform to A.D.A. requirements in all respects. This shall include the replacement of any curb ramp that does not meet current A.D.A. standards.
- B19) The applicant must enter into and record an Easement Agreement for Minimal Encroachments on City Right-of-Way with the City, in a form acceptable to the City Attorney and the Real Estate Division, in order to obtain an easement for the use of public right-of-way along the frontage of the subject site to allow for the placement of the proposed raised deck, landscaping, and other improvements as shown on the site plan dated June 17, 2005. Conditions of the agreement may include, but not limited to the following:
 - A. The applicant shall provide clearance letters from each of the affected City departments / divisions, utility companies, and other interested entities / agencies as deemed necessary by the City. The applicant shall satisfy any conditions included as part of the clearance letters.
 - B. The easement for use of public right-of-way shall be in place for the duration of time in which the land use (restaurant w/ outdoor seating) exists. Upon a change in the land use from the proposed restaurant use, the City shall reserve the right to remove and/or re-evaluate the need for the easement.
 - C. Upon termination of the agreement, the applicant / owner(s) of the project site, shall remove the improvements located within the easement (i.e. – raised deck, cast seatwall, sculptures, etc.). The area of encroachment must be reconstructed to comply with City standards.
- B20) Prior to the issuance of building permits, the applicant shall provide sufficient proof that the above described Easement Agreement for encroachment into public right-of-way has been secured and recorded.
- B21) Prior to the issuance of certificate of occupancy, the applicant shall merge the existing parcels that cover the project site which creates the parcel boundary shown on the proposed site plan.
- B22) The design of walls, fences, signage, and landscaping near intersections and driveways shall allow stopping sight distance per Caltrans standards and comply with City Code Section 12.28.010 (25' sight triangle). Walls shall be set back 3' behind the sight line needed for stopping sight distance to allow sufficient room for pilasters. Landscaping in the area required for adequate stopping sight distance shall be limited to 3.5' in height at maturity. The area of exclusion shall be determined by the

Development Engineering and Finance Division.

B23) Revocable Encroachment Permits may be required for doors which open into the public right-of-way. Or, as an alternative, doors may be redesigned so as to not encroach into the right-of-way.

C-D. The **Special Permits** to waive parking spaces and provide off-site parking for commercial uses in the C-4 zone is hereby **approved** subject to the following conditions of approval:

General:

- C1) This approval is to waive parking for retail and restaurant uses as shown on submitted plans. Any new land uses or modified uses may require additional parking and/or planning entitlements.
- C2) A minimum of 17 off-site parking spaces for the office tenants shall be provided at 2001 K Street for daytime hours.
- C3) A minimum of 42 off-site parking spaces for the retail and restaurant uses shall be provided at 2020 J Street for evening and weekend hours.
- C4) The applicant shall enter into a valet service agreement for the 2020 J Street parking lot site. The applicant shall submit a valet service agreement that meets the industry standard.
- C5) Construct bulb-outs at the following locations:
 - Southwest corner of J Street and 20th Street
 - Northwest corner of K Street and 20th Street

The design and construction of the bulb-outs shall be subject to the approval of the City Traffic Engineer and to the satisfaction of the Development Engineering and Finance Division.

- C6) Indoor and outdoor bicycle parking facilities shall be provided on-site as shown on submitted plans.
- C7) Motorcycle parking on 20th Street shall be designed and constructed to the satisfaction of the Transportation and Development Services Departments.
- C8) Shower facilities shall be provided in the lobby area as shown on submitted plans.

Advisory Comments:

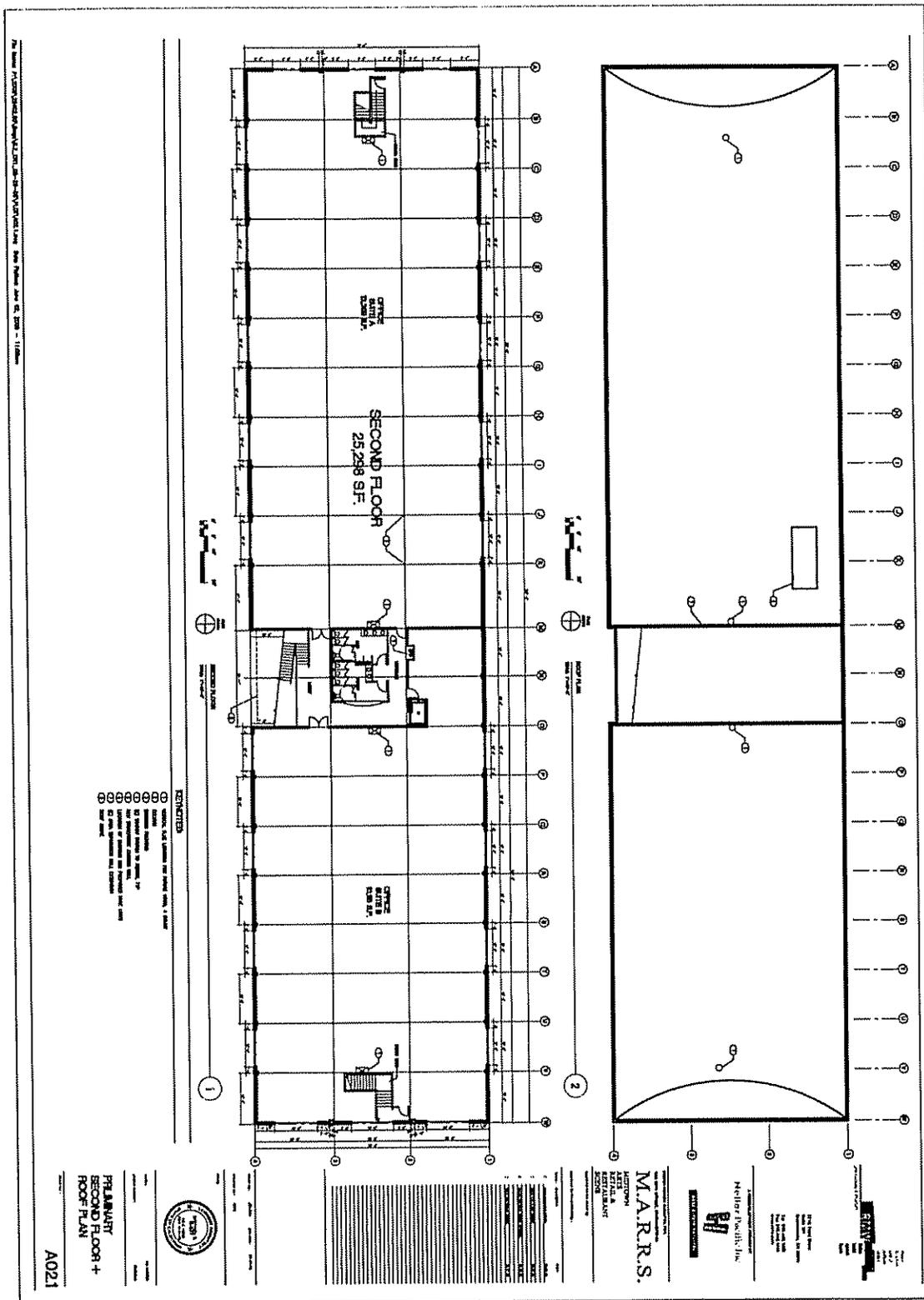
1. Many projects in the City of Sacramento require on-site booster pumps for fire suppression and domestic water systems. Prior to design of the subject project, the Department of Utilities suggests that the applicant request a water supply test to determine what pressure and flows the surrounding public water distribution system can provide to the site. This information can then be used to assist the engineers in the design of the on-site fire suppression system.
2. The applicant shall obtain a Revocable Encroachment Permit for the proposed sidewalk cafes.

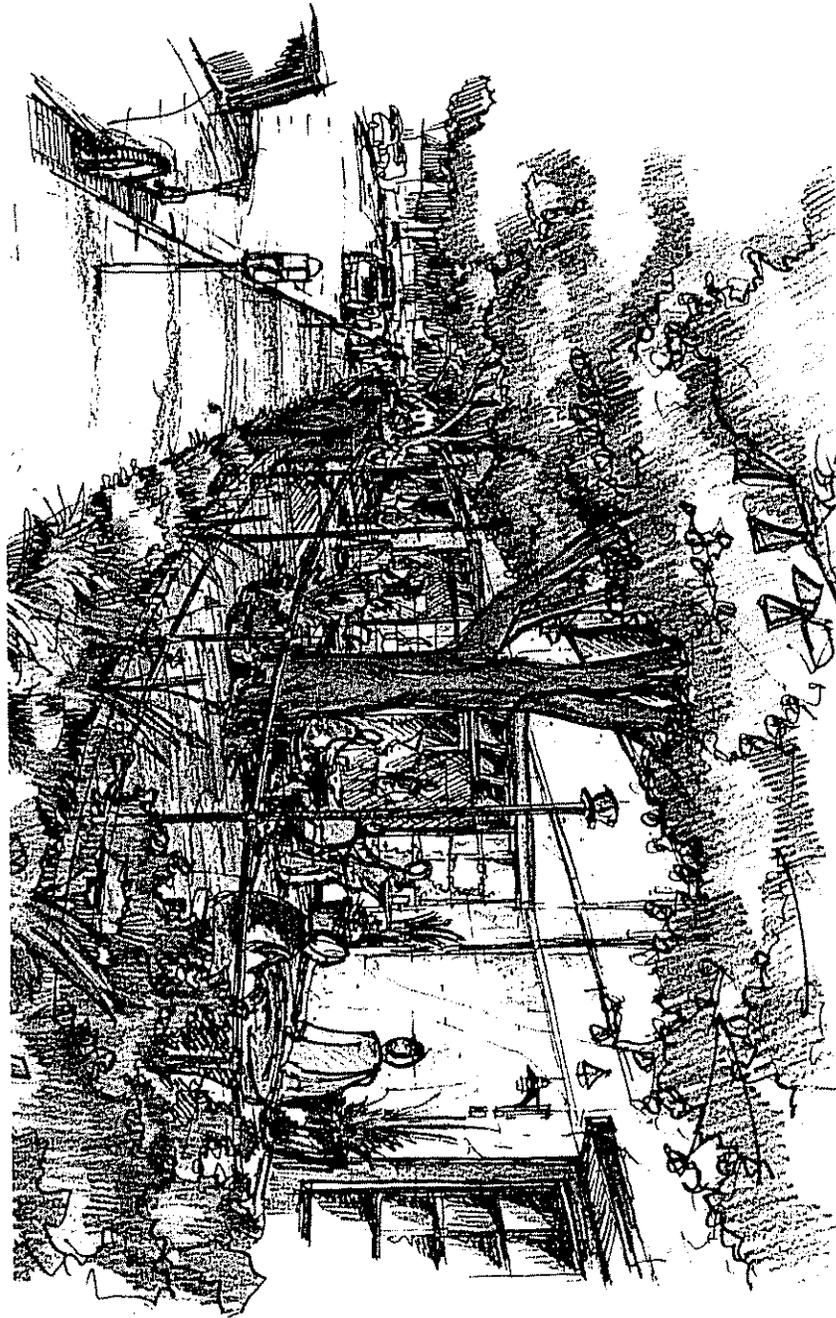
Table of Contents:

Exhibit 1A	Site Plan Exhibit
Exhibit 1B	Ground Floor Plan
Exhibit 1C	Second Floor Plan
Exhibit 1D	Building Elevations
Exhibit 1E	Outdoor Plaza Rendering

Exhibit 3C

Second Floor Plan





20TH AND J STREET
SACRAMENTO, CA

