



# REPORT TO COUNCIL

## City of Sacramento

915 I Street, Sacramento, CA 95814-2671  
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STAFF REPORT  
February 28, 2006

Honorable Mayor and  
Members of the City Council

**Subject:** Shovel Ready Pilot Program – Economic Development Location Alternatives

**Location/Council District:**

Citywide/All.

**Recommendation:**

Staff recommends that City Council consider potential economic development opportunity sites for consideration for City pilot effort to provide land use and infrastructure readiness to support new development.

**Contact:** Lucinda Willcox, Infill Coordinator, 808-5052; Micah Runner, Senior Economic Development Project Manager, 808-5448

**Presenters:** Lucinda Willcox, Infill Coordinator

**Department:** Development Services Department/Economic Development Department

**Division:** Infill

**Organization No:** 4814

**Summary:**

This report takes the next step for consideration of some pilot areas to better promote economic development, based on criteria adopted by the City Council. It includes three areas that could be pursued initially, and another eight areas where some efforts are already taking place, additional work is needed, or economic development benefits are not as great. To implement the shovel ready program, funding and staffing will need to be dedicated as part of this year's budget and Capital Improvement Program process.

**Committee/Commission Action:**

None.



**Background Information:**Issue

The City has mutual goals of promoting high quality economic and infill development, and ensuring adequate infrastructure facilities and services are in place to serve new development. The City has not realized its economic development potential to the desired extent due to challenges related to the time and costs associated with readying areas for development. This is particularly the case in infill areas, where the smaller scale of projects, lack of infrastructure, and limited funding mechanisms can make individual projects infeasible, due to difficulties in individual projects addressing cumulative land use and infrastructure issues.

As a result, redevelopment or other direct public assistance is often needed to facilitate private economic and infill development, further adding to the costs and time associated with individual projects. If key areas were better prepared for development, the City would be more successful in achieving its economic development, redevelopment, and infill goals.

Concept

The program concept is to have readily available sites to attract targeted employers, consistent with the objectives of the City's new Economic Development Strategy. To better leverage and attract private investment, the City would test an approach whereby the City strategically invests public funds to ready an area or areas for desired development. Costs may be recaptured over time through assessment districts, fees, or other financing mechanisms. The public investment could include a range of facilities or investments, including the following:

- Land use and environmental review, including community input regarding design principles and prototypical development layouts.
- Infrastructure and public services (e.g., water, sewer, parks, streetlighting, drainage)
- Other facilities or services (e.g., parking structures )

The ultimate objective is to have sites available that have completed all land use and environmental reviews with required infrastructure available, so that a desired development requires only a building permit, and is therefore considered "shovel ready."

To test out the strategy, last Fall the City Council approved development of a pilot program focusing on facilitating key economic development opportunities within existing communities. After experience using this approach, the strategy could be expanded to include residential infill development opportunities and key employment areas in new growth areas.

### Criteria and Methodology

To identify potential candidate areas, staff reviewed potential areas that focused on targeted employment, were located within existing communities, and best met the following criteria adopted by the City Council:

1. Type and number of jobs (relative to public investment).
2. Readiness:
  - a. Land use planning/zoning
  - b. Infrastructure planning
  - c. Market and timing for development
3. Return on investment.
  - a. Economic return
  - b. Marginal return based on economics of certain areas (consider overall condition of area, costs associated with blight)
4. Land ownership/coordination.
5. Overall cost.
6. Potential as catalyst for additional development or to address additional deficiencies or opportunities.

To identify potential areas, City staff first identified locations within the City with potential for development of employment related uses, and then screened those areas against the criteria listed above. Attachment A shows the location of vacant and underutilized lands, based on inventory conducted in connection with the General Plan Update. Staff also considered areas based on their likely desirability to attract major employers, based on location and access, surrounding land uses, parcelization patterns, and current levels of development interest. A summary of all the areas screened and their individual evaluations against the criteria is included in Attachment C.

### Findings

In connection with this evaluation, staff made the following findings:

- The City has challenges in identifying employment-designated land outside of new growth areas where suitably large parcels are available that have good freeway access. As a result, many of the areas best suited for major new employment are expected to occur in new growth areas.
- In most areas of the City, there has not been analysis of infrastructure capacity or issues at a sufficient level to identify required improvements or their costs.
- In many areas, vacant parcels are too small or too scattered to efficiently address infrastructure at an areawide level.
- The City's commercial corridors are in need of land use improvements and infrastructure investment. Most of these locations do not have parcels of a sufficient size to accommodate larger new developments, and have been considered primarily suitable for retail, housing or mixed use, or some small

office development. Additional work is needed to identify appropriate efforts to implement a small business attraction and retention strategy.

- In many areas of the City, the zoning and regulatory process limits realization of economic development potential. Additional regulatory improvements could improve options to facilitate economic development.
- In many areas, larger infrastructure capacity issues affect new development potential in a large area (e.g., capacity in combined sewer system, roadway and interchange capacity). These tend to be very costly items that affect development potential over a larger area.

### Recommendations:

As a result of screening and evaluation, staff identified three candidate areas that best met the selection criteria. In addition, staff identified several other good candidate areas which are worth additional exploration. These are areas where additional land use or other work is needed to make the areas more ready, where the resulting employment gains were anticipated to be less than the first tier numbers, or where some level of City investment is underway, even though it may not focus on employment development. These areas are highlighted in the matrix shown in Attachment C. Aerial photographs and more refined maps of the major locations chosen are also included as Attachment B for reference.

The top recommended areas are summarized below.

*Granite Park.* Granite Park is a 260-acre Planned Unit Development (PUD) located between Power Inn Road and Florin-Perkins Road, south of Folsom Boulevard and north of 14<sup>th</sup> Avenue. The Granite Park PUD provides for 3.4 million square feet of office space, 165,000 square feet of retail, park, and warehouse buildings, and 145 acres of regional park. To date, close to one million square feet of office space and some retail uses have been built or are entitled, all located on the western side of the plan area adjacent to Power Inn Road. The regional park is partially developed. Much of the remaining development potential is on the eastern side of the development (adjacent to Florin-Perkins Road) and in the main portion of the site where the original granite pit is located. Major investment is needed to improve Florin-Perkins Road to make development on the east side of the plan area feasible. City implementation of 14<sup>th</sup> Avenue improvements proposed as part of the South East Area Transportation Study would also provide significant benefits. Installation of a pump station will be required to make development in the center of the site feasible. The scope of these major investments is cumulative in nature, and challenging to privately finance these areawide improvements to attract individual tenants.

Granite Park was considered a top candidate as the land use and infrastructure planning are completed, it is suitable for a variety of high wage jobs and is an attractive place for new development given its access and park amenity. Investment in improvements to Florin-Perkins Road would also make development of significant properties on the east of Florin-Perkins Road feasible. Private development in Granite Park also contributes to development of the regional park as it occurs, so facilitating

development will result in additional regional park development. The City has experience in coordination with the landowner in joint park/office development.

Given the scope of development potential and public investments needed, this could be phased to allow for development of the full area over time, focusing initially on improvements to Florin-Perkins Road, and then later on pump station improvements to open up potential development in the remaining portion of the plan area.

*Sacramento Army Depot.* The Army Depot is a 300-acre industrial park which was formerly a military base. Upon conversion to private uses, the City adopted a Special Planning District (SPD) that governs development on the site. Based on the anticipated tenants at the time, the SPD restricts new construction to ten percent expansion of existing buildings and limits employment within the park to 3,000 employees or fewer. Since Packard Bell vacated the site, there are substantially fewer employees than were in place to justify the expansion limitation. There are estimated fewer than 2,000 current employees on the site, and about 50 to 75 acres of vacant land.

The City owns the property and leases it to private owner, who in turn leases the buildings and vacant land. To promote opportunities for additional development, the City could amend the Special Planning District to allow for standard industrial development on the vacant portions of the site. This would be a relatively low cost item and reap additional industrial and manufacturing sites that are currently constrained. The regional market for manufacturing and industrial sites is currently very strong. The City could also combine this effort with actions to create a parcelization pattern for the Depot to facilitate leasing and financing of individual buildings.

*Richards Boulevard.* The Richards Boulevard Area Plan was prepared in 1992, proposed for redevelopment with mid and high density housing, retail, and employment uses. The area was originally planned in coordination with downtown railyards. The area includes a variety of existing uses. A Public Facilities Plan and fee financing district was adopted in connection with the plan adoption. Most of the area was not rezoned when the plan was adopted, so most new development requires rezoning.

Within the plan area, there are two existing office buildings that are currently unleased, and another office building that is entitled but not built. There are currently planned development proposals for residential and mixed use projects. In addition, the State has selected the Richards Boulevard area as its preferred site to locate the California Indian Heritage Center.

While there is substantial development interest and potential in the Richards Boulevard Area, it needs some new investment to make lease space more attractive, to spur housing development, and to assist in community facilities. Staff recommends that working with the Capitol Station District and key landowners, the City identify some regulatory efforts and key infrastructure investments to help spur various kinds of development and support leasing of existing office space.

*Other Candidate Areas.* Eight other areas are recommended as good candidates for additional efforts to better prepare the areas. These areas generally needed more significant infrastructure investment, were undergoing additional land use or land

development work, or where some regulatory efforts could take place to make economic development more effective, without pursuing full investment in infrastructure. These areas are summarized below, and a description of the conclusions included in Attachment C. Some of the areas fell into more than one category.

1. Areas where additional planning or evaluation is taking place, to make these good candidates for future efforts.
  - Downtown/Central Business District
  - Swanston Station/Arden/Point West Area
  - 65<sup>th</sup> Street/Sacramento State Area
  - Raley Boulevard Industrial Area
  - UC Davis Medical Center Area
2. Areas where additional infrastructure assessment and solutions need to be reviewed:
  - Florin-Perkins/Power Inn Industrial Area (south of Elder Creek Road)
  - North Sacramento Business Park/SR 160 Area
  - Raley Boulevard Industrial Area
3. Areas where some regulatory efforts could help to pre-entitle desired development.
  - North Natomas Employment Centers
  - North Sacramento Business Park/SR 160 Area

### Performance Indicators

As a pilot program, there need to be some measures of success for the program. Some potential indicators to determine program success are suggested below. These might vary according to the location selected for public investment.

- Within three years, development occurs at higher rates than previously in area or comparable areas citywide
- Feedback from private investors that City partnership helped determine the decision for local investment
- Rate of property value reassessment higher than citywide average or that of comparable areas
- Measured return on investment. Some measurement indicators could be number of jobs, economic impact, tax increment growth, or direct recapture of infrastructure investment.

**Financial Considerations:**

To undertake planning, environmental, and infrastructure installation will require City investment, either through allocation of new funding or through re-allocation of existing funding sources. Specific amounts of funding will depend on the area or areas selected and further examination to determine estimates of funding. In general, funding may be needed for land use planning, entitlement, and environmental analysis; transportation system improvements; water, sewer, and/or drainage improvements; and, depending on the area and extent selected, for park or open space enhancements.

Some potential sources of funds could include the following.

- ◆ Re-programming and/or supplementing funds allocated with the Capital Improvement program, including CIPs for economic development, water, sewer, drainage, parks, and transportation (depending on the location selected and the type of public investment required)
- ◆ Redevelopment funds (for those locations within redevelopment areas)
- ◆ Community Development Block Grant funds (for eligible areas and projects)
- ◆ Grants. Could include federal, state or local grants for a variety of public improvements
- ◆ State Infrastructure Bank loans
- ◆ Creation of new assessment or benefit districts

In addition, there may be new or reprogrammed staff resources to implement the program, to direct and participate in regulatory and environmental review, infrastructure planning, design, and installation, and financial analysis and implementation plans.

With direction from City Council, staff will bring back discussions and recommendations for initial allocations for funding as part of the FY 06-07 budget processes.

**Environmental Considerations:**

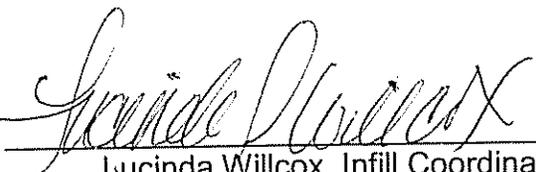
This is an informational item to direct staff to further define a program concept, and is itself therefore, not a project for the purposes of the California Environmental Quality Act.

**Policy Considerations:**

The overall intent of this concept is consistent with the City's Strategic Plan in promoting and supporting economic vitality. The implications are that this program would affect the way the City programs its Capital Improvement Program and public facilities programming guides.

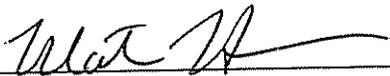
**Emerging Small Business Development (ESBD):**

No goods or services are being purchased under this report.

Respectfully Submitted by:   
Lucinda Willcox, Infill Coordinator

Approved by:   
Carol Shearley  
Director of Planning

Recommendation Approved:

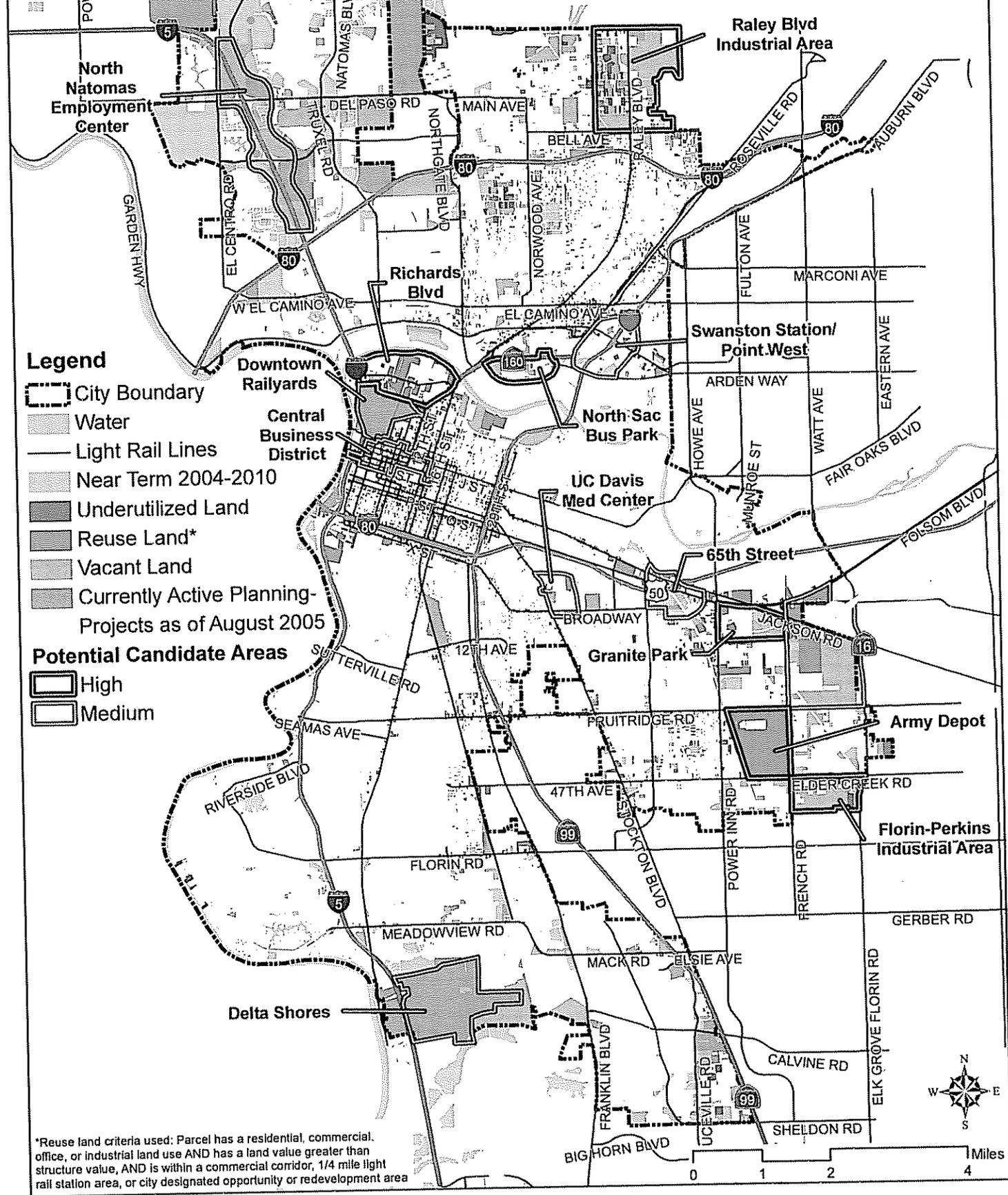


Marty Hanneman, Assistant City Manager  
For: Ray Kerridge, Interim City Manager

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# Attachment A Vacant and Underutilized Land Economic Development Opportunity Sites

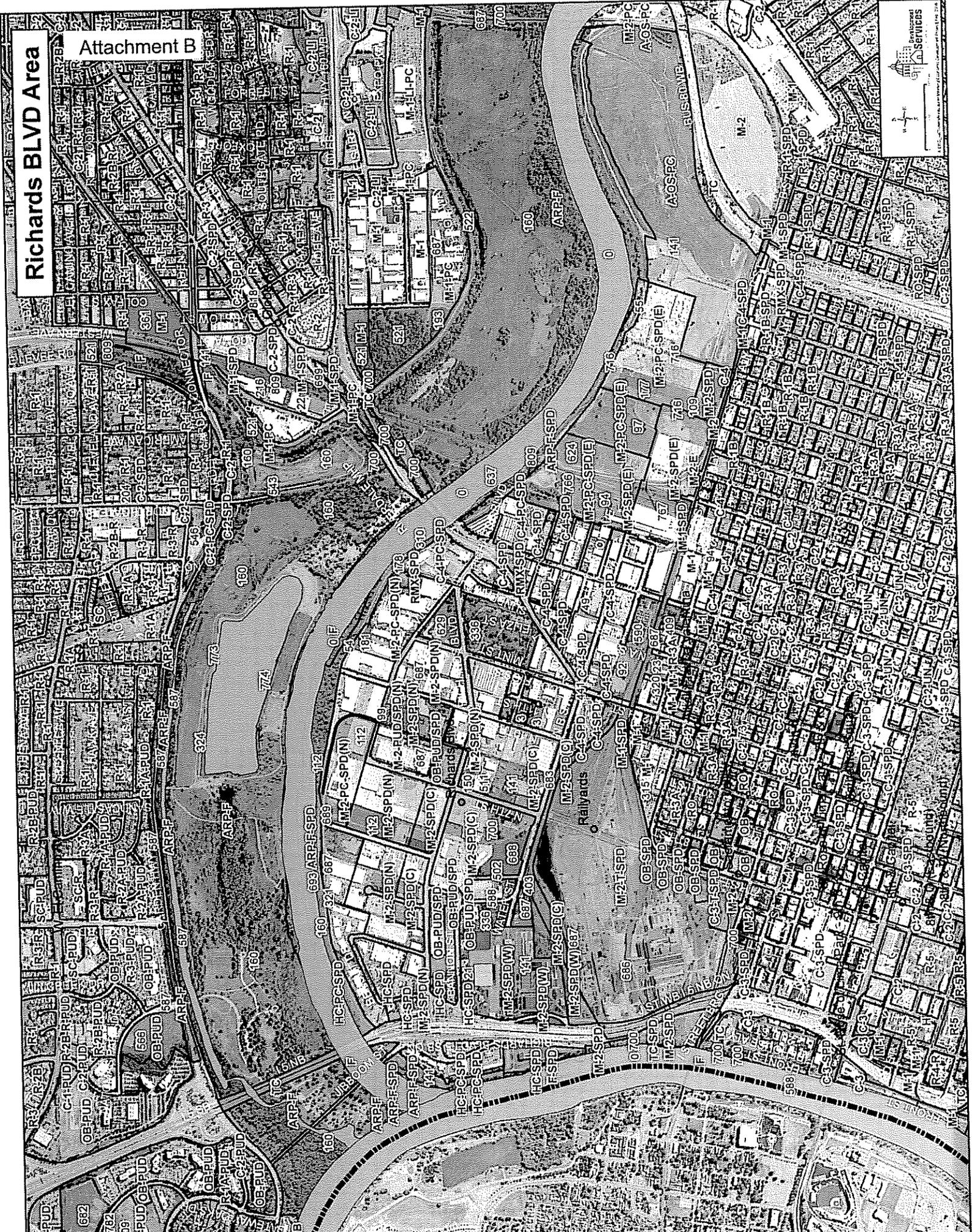
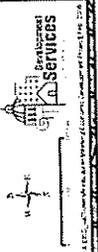


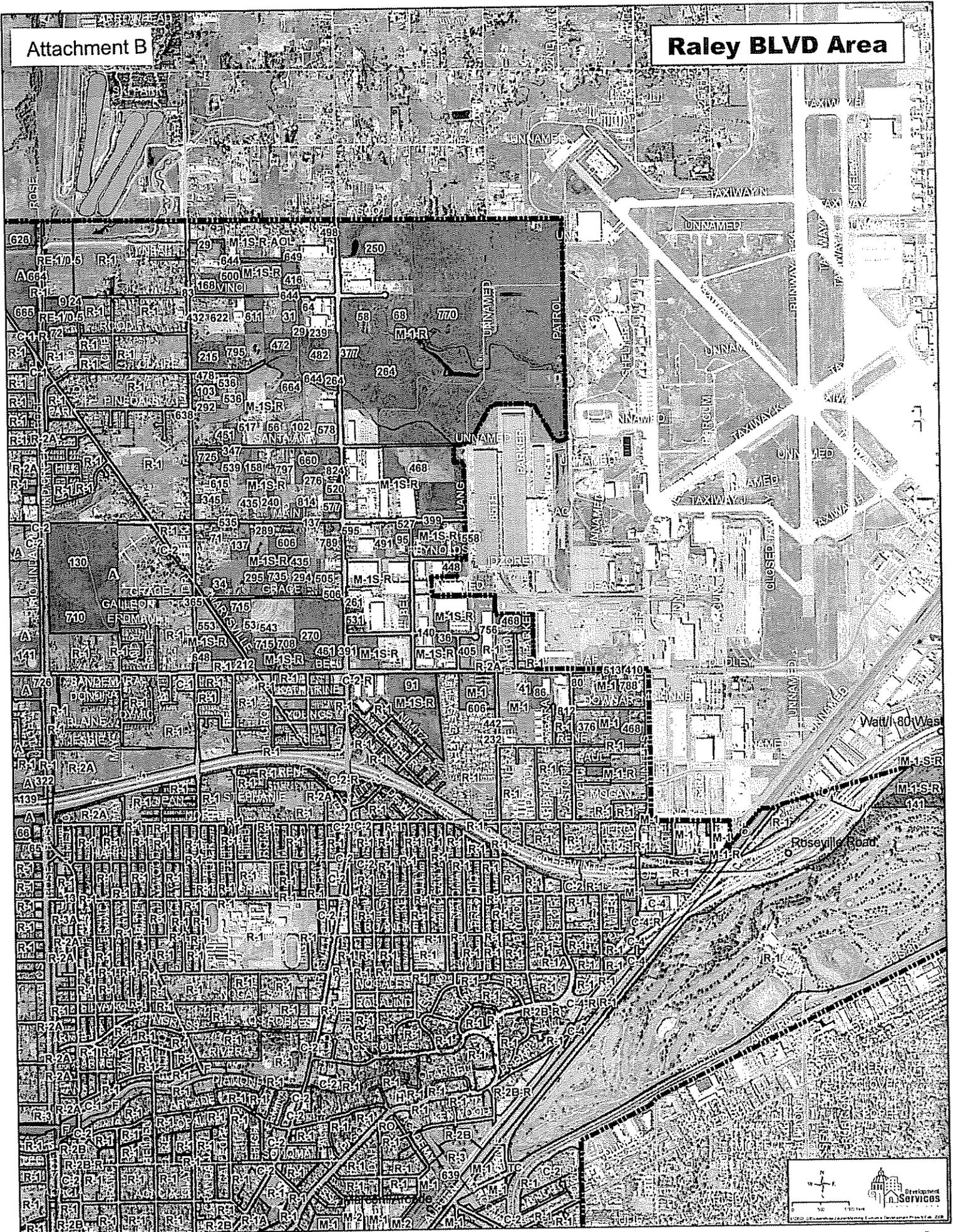
\*Reuse land criteria used: Parcel has a residential, commercial, office, or industrial land use AND has a land value greater than structure value, AND is within a commercial corridor, 1/4 mile light rail station area, or city designated opportunity or redevelopment area



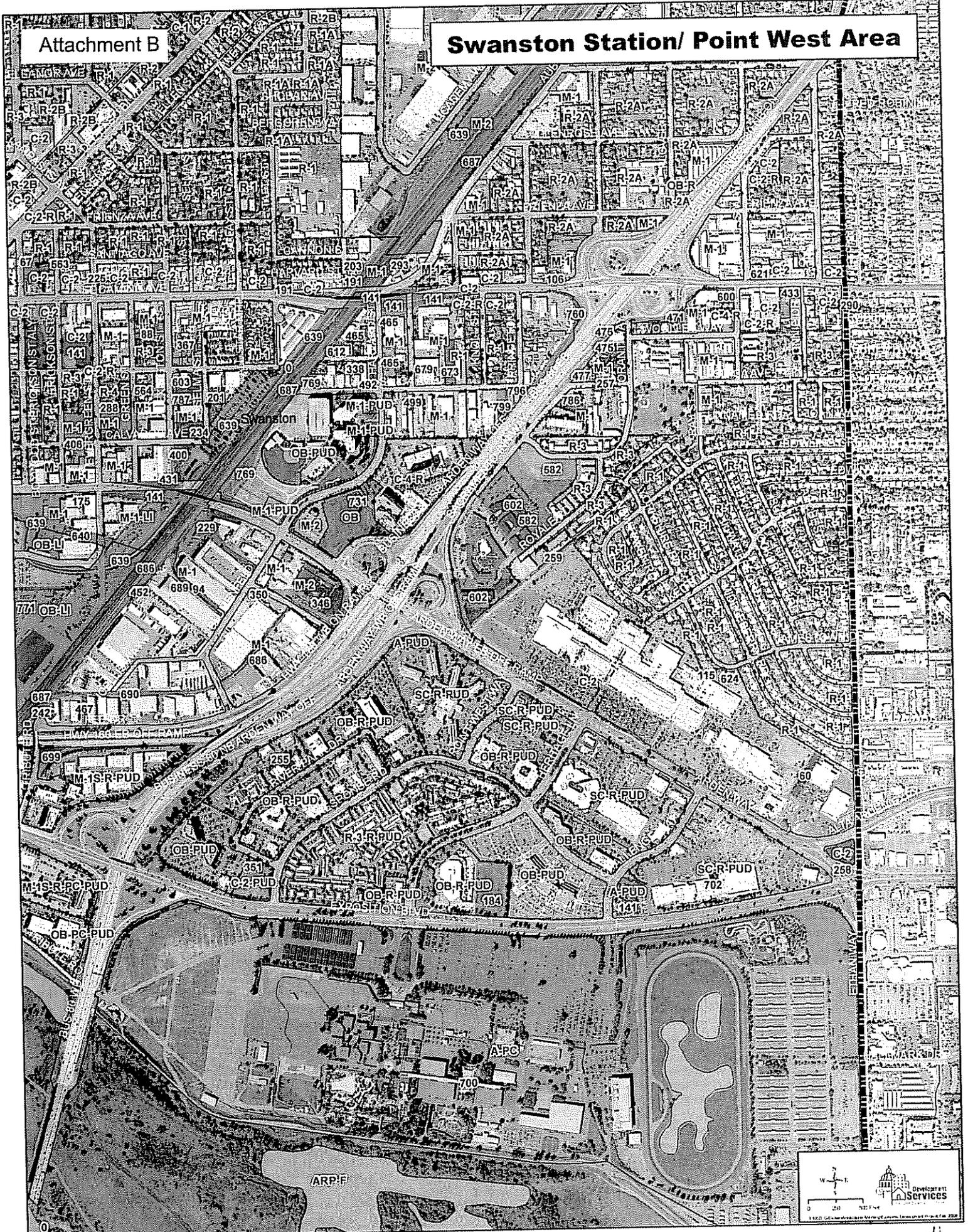
# Richards Blvd Area

## Attachment B











Attachment C

Potential Area Analysis

Area*	Potential Development	Discussion/ Recommendation	Job Creation	
			Estimated Number	Business Sector
<i>Central City</i>				
1 Richards Blvd	Major office, retail, residential	There are existing office building unleased and another entitled. Current interest in housing/mixed use. Investment in area could catalyze lease of office spaces	1000+	Office/small entrepreneurial/startups
2 CBD/Capitol District	Major office, high density housing	City negotiating to purchase key properties. Potential to dedicate some redevelopment bond funds associated with the effort to make properties shovel ready; would also have benefits for larger areas that would benefit from infrastructure improvements.	1000+	Office
Midtown Commercial Corridor	Retail and housing	Doesn't meet target employment criteria.	**	Retail
12th Street Corridor	Residential, small office, retail	Doesn't meet target employment criteria.	**	Retail
16th Street Corridor	Residential, small office, retail	Doesn't meet target employment criteria.	**	Retail
R Sireet Corridor	Residential, mixed use, retail	Doesn't meet target employment criteria.	**	Retail
Riverfront/Docks Area	Residential, mixed use, open space.	Doesn't meet target employment criteria. Plan for the area is to develop a Specific Plan that will be pre-entitled for new development.	**	Residential
Broadway Corridor	Residential, small office, retail	Doesn't meet target employment criteria.	**	Retail
Sutter General Expansion	Hospital expansion, theater, residential, parking	Approved for development.	1395	Medical

Attachment C

Potential Area Analysis (Screening Against Criteria)

Area*	Criteria				Overall Cost	Potential Catalyst	
	Readiness		Market	Economic Return			Land Ownership/Coordination
	Land Use Planning	Infrastructure Planning					
Central City							
1 Richards Blvd	Area plan adopted in 1992, but requires rezoning of key properties prior to development.	Public Facilities Plan in place, but needs some updating to reflect changed conditions. Utilities Dept is embarking on sewer study. Transportation conducted North CBD Access Study.	There is private interest in developing housing/mixed use. There are existing unleased office buildings and entilled offices.	Unknown, depends on level of investment and types of uses. Development generates high rates of property tax and associated expanded retail/sales tax usage.	Capitol Station and major land owners support concept; many individual landowners within the area	Investment could help to catalyze leasing of existing space, new housing and retail development, and opportunities for new museum and park spaces.	
2 CBD/Capitol District	Existing urban design plan adopted. Downtown strategy needs to be refined. Zoning permits most uses; community desires some reexamination of heights in specific areas.	No comprehensive study has been completed. Utilities Dept examining combined sewer issues.	Interest in high density office and housing. Varies by use and location. Generally desirable for housing and retail. Not considered as marketable as Midtown.	Unknown.	City purchase of key properties could facilitate program.	Investment in K Street area could help revitalize area.	
Midtown Commercial Corridor	Zoning permits most uses.	No overall planning has been conducted.	Not considered as marketable as Midtown.	Unknown.	Many individual land owners.	Unknown.	
12th Street Corridor	Zoning permits most uses.	No overall planning has been conducted.	Not considered as marketable as Midtown.	Unknown.	Many individual land owners.	Possibly.	
16th Street Corridor	Zoning permits most uses.	No overall planning has been conducted.	Not considered as marketable as Midtown.	Unknown.	Many individual land owners.	Possibly.	
R Street Corridor	R Street Plan adopted. Some amendments to zoning and urban design plan proposed.	Infrastructure assessment completed. Major infrastructure needs to support housing.	High land costs, interest in housing development.	Unknown.	Many individual land owners.	Key investment could help create R Street as a new neighborhood.	
Riverfront/Docks Area	In process.	In process	Good location.	Unknown.	Econ. Dev. Working with key landowners.	Yes.	
Broadway Corridor	Zoning permits most uses, although changes needed to support higher densities around transit stations.	No overall planning has been conducted. Pedestrian street improvements have been made.	Unknown	Unknown.	Many individual land owners.	Yes	
Sutter General Expansion	Entitlements approved 1/06.	To be completed in connection with project.	N/A	N/A	Private applic.	Project incorporates other community serving uses.	

Attachment C

Potential Area Analysis

Area*	Potential Development	Discussion/ Recommendation	Job Creation	
			Estimated Number	Business Sector
<i>Commercial Corridors</i>				
Northgate Blvd	Residential with retail nodes	Doesn't meet target employment criteria.	**	Retail
Del Paso Blvd	Retail, residential, small business	Doesn't meet target employment criteria.	**	Retail/small business
2 Stockton Blvd/UCD Med Center	Conversion of existing space, new development on UC owned land	Good longer term opportunity to partner with UC. Very few vacant sites in Oak Park redevelopment area.	Unknown	Lab space, med ofc
Florin Road	Retail, auto sales may transition	Doesn't currently meet criteria; continue to monitor regarding status of auto sales uses.	**	Retail, office
Marysville Blvd	Retail, small office, some medical office	Doesn't meet target employment criteria.	**	Retail, small office, some med
Folsom Blvd (East & West)	West-retail, east - indus & retail	Few sites with some access constraints.	**	Retail, indus.
Franklin Blvd.	Retail	Doesn't meet target employment criteria.	**	Retail
Freeport Blvd.	Retail	Doesn't meet target employment criteria.	**	Retail
Fruitridge Rd.	Retail, resid	Doesn't meet target employment criteria.	**	Retail

Attachment C

Potential Area Analysis (Screening Against Criteria)

Area*	Criteria						Potential Catalyst	
	Readiness			Market	Economic Return	Land Ownership/Coordination		Overall Cost
	Land Use Planning	Infrastructure Planning						
<b>Commercial Corridors</b>								
Northgate Blvd	Completing Urban Design/Master Plan.	Streetscape improvements reviewed. Other assessments not conducted.	Has not been substantial interest.	Unknown.	Many individual land owners.	Unknown, but substantial for streetscape improvements and streetlighting.	Depends on level and location of investment.	
Del Paso Blvd	SPD adopted. Urban Des Plan completed	Streetscape improvements underway. Other assessments not conducted.	Some retail interest.	Unknown.	Many individual land owners.	Unknown. Streetscape enhancements underway.	Depends on level and location of investment.	
2 Stockton Blvd/JUCD Med Center	Stockton-Broadway SPD and Urban Design Plan completed. UC Master Plan completed.	Streetscape improvements underway. Other assessments not conducted.	Depends on location.	Unknown.	Large available sites controlled by UC. Opportunities for partnership.	Unknown.	Unknown. Depends on level and location of investment.	
Florin Road	Commercially zoned.	No assessments conducted.	Limited.	Unknown.	Many individual land owners.	Unknown.	Unknown. Depends on level and location of investment.	
Marysville Blvd	Commercially zoned. Urban Des Plan completed and underway.	Streetscape improvements underway. Other assessments not conducted.	Limited.	Unknown.	Many individual land owners.	Unknown. Streetscape enhancements underway.	Depends on level and location of investment. Depends on level and location of investment.	
Folsom Blvd (East & West)	Commercially zoned.	No assessments conducted.	Limited.	Unknown.	Many individual land owners.	Unknown.	Depends on level and location of investment. Depends on level and location of investment.	
Franklin Blvd.	Commercially zoned. Urban Design Plan prepared.	No assessments conducted.	Limited.	Unknown.	Many individual land owners.	Unknown.	Depends on level and location of investment. Depends on level and location of investment.	
Freeport Blvd.	Commercially zoned. Urban Des Plan completed	No assessments conducted.	Limited.	Unknown.	Many individual land owners.	Unknown.	Depends on level and location of investment. Depends on level and location of investment.	
Fruitridge Rd.	Commercially zoned. Streetscape Plan completed	No assessments conducted.	Limited.	Unknown.	Many individual land owners.	Unknown.	Depends on level and location of investment. Depends on level and location of investment.	

Attachment C

Potential Area Analysis

Area*	Potential Development	Discussion/ Recommendation	Job Creation	
			Estimated Number	Business Sector
<b>Light Rail Station Areas</b>				
Globe station	Transit-oriented residential, retail, small office	Doesn't meet target employment criteria.	**	Small office
2 Swanston/Arden/Point West	Transit-oriented residential and connection to Pt. West offices	Could assist with office expansion, address ped bridge issue	800-1000	Office, ind, retail
2 65th Street/South/CSUS	Transit-oriented residential/retail, poss. hotel, near CSUS	Greater demand for housing, plans to restudy access issues. Some retail/office/hotel opps. City efforts to address drainage underway.	**	Hotel, small ofc/retail, R&D
Florin/Meadowview	Transit-oriented residential and commercial/community uses	Urban design plan and infrastructure plan underway. Not currently planned for substantial non-res.	**	Retail/office
<b>Other Infill Areas</b>				
Cannery Business Park	Residential or office	Access limitations.		Could transition to res.
1 Army Depot	Industrial	Amendment of limitations with Army Depot Special Planning District could create additional development potential	500 to 1000	Industrial
1 Granite Park	Offices, businesses, park, some already pre-entitled	Improvements along Florin Perkins/14th Avenue could make development on the east side of the park feasible. Development could reimburse as it occurs.	2000-6000	Office
Centrage site	Current proposals call for rezoning land for residential, zoned M-1		** ??	
2 North Sac/160	ind, retail	Some properties entitled, need traffic improvements. Some properties have access constraints. Good location via 160 and Exposition	1200-1600	ind, retail
Kaiser South/Methodist Hosp	Support for hospitals	Limited vacant sites available.	600	Ancill med uses
Norwood-I-80 Bus Park	Small industrial park	Very little available land remaining	200	Small office
Northgate/South of I-80		Longer term opportunity for major retail or employment		To be determined.
Teichert Property/Watt	Future land uses unknown	Longer term policy discussion	TBD	To be determined.

Attachment C

Potential Area Analysis (Screening Against Criteria)

Area*	Criteria					Potential Catalyst	
	Readiness		Market	Economic Return	Land Ownership/Coordination		Overall Cost
	Land Use Planning	Infrastructure Planning					
<b>Light Rail Station Areas</b>							
Globe station	needs plan and rezone City doing plan/rezone/infrastudy	No	Unknown	Unknown	Many individual land owners.	Unknown. Yes	
2 Swanston/Arden/Point West		No, major deficiencies	Unknown	Unknown.	Many individual land owners.	Unknown. Yes	
		Infrastructure assessment completed and financing strategy underway.		Longer term in nature.	Many individual land owners.	Unknown. Yes	
2 65th Street/South/CSUS	Plans completed	Underway	Unknown	Unknown.	Many individual land owners.	Unknown. Yes	
Florin/Meadowview	Transit plan underway	Underway	Unknown	Unknown.	Current ownership plans unknown.	Unknown.	
<b>Other Infill Areas</b>							
Cannery Business Park	Needs rezone	No, no access	Unknown	Unknown.		Unknown.	
			Regional market for industrial land is strong.	Good increased potential for relatively small investment.	City owned land, leased with option to private owner	Less than \$100,000 for land use/environmental study. Benefits probably limited to Army Depot property.	
1 Army Depot	zoning/env currently limits expansion	No				Could be phased and costs determined through discussions with land owner. Over \$1 million in transportation improvements.	
					Yes.	Could support additional regional park development and open up property to east for development also.	
1 Granite Park	Master plan and infrastructure plan adopted	Yes	Generally good.	Good.	Owner proposing residential application.	Unknown. Unknown.	
Centrage site	No plan adopted	No assessment completed.	Unknown	Unknown.	Would need to be determined. Much of the vacant land is under one ownership.	Unknown. New traffic signal and other roadway improvements needed.	
		No comprehensive study; some transportation analysis identified.	Unknown	Unknown, depends on uses and costs of improvements	Many individual land owners.	Unknown.	
2 North Sac/160	Zoned for indust.	No assessments conducted.	Unknown	Unknown.		Unknown. Unknown.	
	may need some rezoning	No assessments conducted.					
Kaiser South/Methodist Hosp	zoned	No assessments conducted.	Unknown	Unknown.	Undetermined.	Unknown.	
Norwood-I-80 Bus Park			Great location of many major employers.	Unknown.	Land owner not currently interested in City partnership	Unknown. Unknown.	
Northgate/South of I-80	Would need master development plan.	No analysis completed.	Unknown	Unknown.	To be determined.	Unknown. Unknown.	
Teichert Property/Walt	Would need master plan.	Needs infrastructure.	Unknown	Unknown.			

Attachment C

Potential Area Analysis

Area*	Potential Development	Discussion/ Recommendation	Job Creation	
			Estimated Number	Business Sector
<b>Larger Industrial Areas</b>				
2 Florin-Perkins/Power Inn	Industrial, manufacturing	Large areas at south area, probably heavy industry, needs signif. infrastructure (e.g., new roads)	1200	Ind, mfg
2 Raley Blvd/Main Ave/Robla	Industrial, mfg, McClellan Bus Park support	Most land not entitled are smaller parcels or in floodplain/SAFCA easement. Consideration in Gen Plan Update for reuse of some of the area.	1200-1600	Inf, mfg, retail, ofc
<b>New Growth Areas</b>				
North Natomas Employment Centers	Office, residential, retail	Good location to attract targeted employers, financing mechanisms in place. Review opportunities to pre-entitle larger office development.	3000+	Office and other uses.
Downtown Railyards	Major office, retail	Future development opportunity in connection with Railyards plan and implementation.	TBD	Various
Delta Shores	Major new employment for south area	Future development opportunity in connection with Delta Shores plan and implementation.	TBD	Unknown

\*1 Most suitable candidate  
 2 Good candidate for further review  
 \*\* Not analyzed

Attachment C

Potential Area Analysis (Screening Against Criteria)

Area*	Criteria				Overall Cost	Potential Catalyst	
	Readiness		Market	Economic Return			Land Ownership/ Coordination
	Land Use Planning	Infrastructure Planning					
<b>Larger Industrial Areas</b>							
2 Florin-Perkins/Power Inn	zoned	No assessment completed, has no transportation access.	Access from major freeway, some market for heavy industrial uses.	Substantial investment for smaller returns.	Property owners non-local/ difficult to locate.	Unknown.	
	zoned, some vernal pool issues, up for discussion regarding appropriate land uses in GP	Some assessment of Raley Blvd; needs comprehensive water, sewer, drainage assessment.	Regional market for industrial land is strong.	Unknown.	Many individual land owners.	Unknown.	
<b>New Growth Areas</b>							
North Natomas Employment Centers	Planned and zoning in place. All new development requires Special Permit.	Infrastructure planning completed; part of Finance Plan.	Good	Good	Meet with major landowners to determine interest	Yes, through Finance Plan.	
Downtown Railyards	Waiting for master plan application.	No infrastructure currently in place	Very good	To be determined.	Owner plans to submit development application.	Unknown.	
Delta Shores	Waiting for master plan application.	No infrastructure currently in place	Unknown	To be determined.	Owner plans to submit development application.	Unknown.	

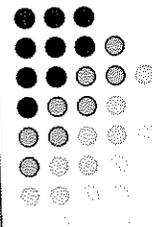
\*1 Most suitable candidate

2 Good candidate for further review

\*\* Not analyzed

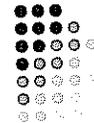
# Shovel Ready Alternatives

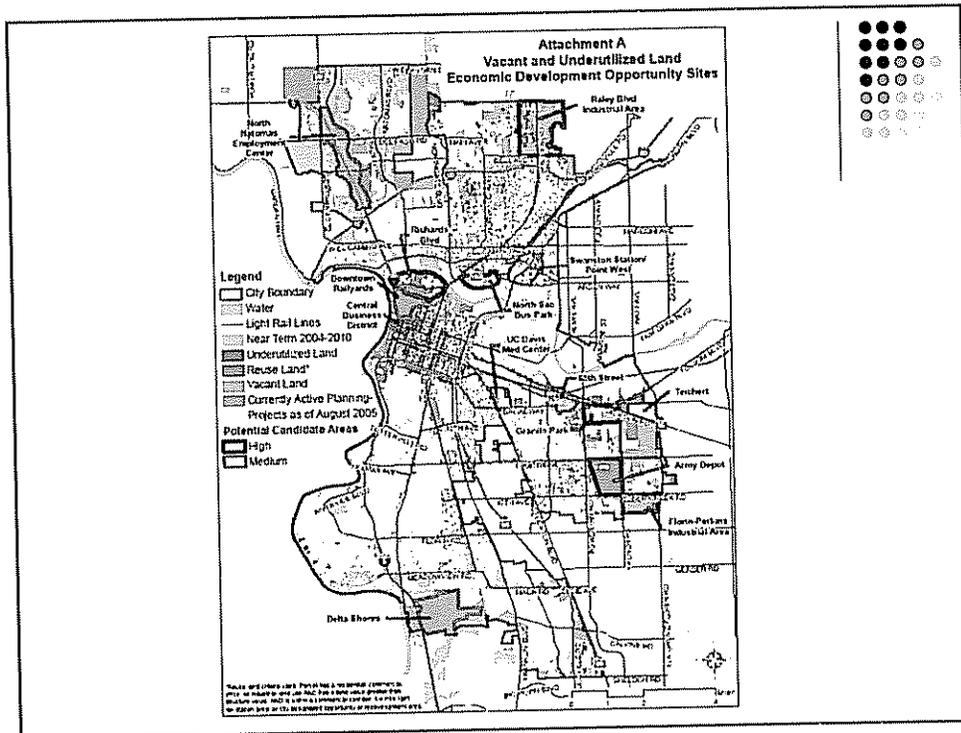
City Council  
February 28, 2006



## “Shovel-Ready” Concept

- Have an inventory of available sites to advance City economic development goals
- Land use approvals and infrastructure in place
- City invests in necessary land use and infrastructure studies, design, and installation
- Funding is recaptured as development occurs
- Pilot program – test the concept in key areas



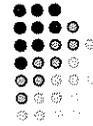


## Potential Candidate Areas

- Reviewed properties with development potential – vacant or reuse
- Focused on employment potential
- Screened against City Council approved criteria

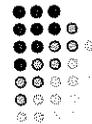
## Criteria

- Type and number of jobs
- Readiness
- Return on investment
- Land ownership/coordination
- Overall cost
- Potential as catalyst

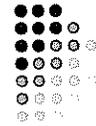


## Findings

- Limited areas for large new employment complexes
- Most areas lacking analysis of infrastructure capacity and needs
- In many areas, vacant and underused parcels are small or dispersed
- Most commercial corridors are in need of land use improvements and infrastructure investment.
- Key regulatory improvements can better facilitate employment in some areas
- Major infrastructure system deficiencies can hamper development over larger area

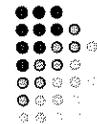


## Recommended Pilot Areas



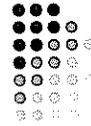
- Granite Park
- Army Depot
- Richards Boulevard
- Other Suitable Candidates

## Granite Park



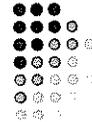
- 260-Acre PUD
- 3.4 million square feet of office and 145 acres of regional park
- Major infrastructure investment required for development on Florin-Perkins and the central part of the plan area

## Granite Park



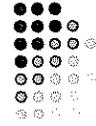
- Type and number of jobs: 2000-6000
- Readiness: Master Plan completed
- Return on investment: Could be recaptured as development occurs
- Land ownership/coordination: Existing City-private partnership
- Overall cost: major investments could be phased
- Potential to catalyze development to the east and development of regional park

## Army Depot



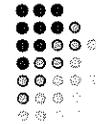
- 300-acre industrial park
- Special Planning District limits expansion and new construction
- Amending zoning restrictions could allow development on vacant parcels

## Army Depot



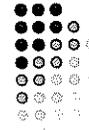
- Type and number of jobs: 500-1000
- Readiness: Needs zoning amendment
- Return on investment: Limited investment with good potential returns
- Land ownership/coordination: City-owned
- Overall cost: relatively low

## Richards Boulevard



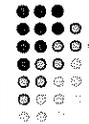
- Master planned area north of downtown for reuse with housing and employment
- Plan prepared in 1992; including public facilities plan and financing plan
- Haven't realized existing office potential
- Development interest in housing and community facilities

## Richards Boulevard



- Type and number of jobs: 1000+
- Readiness: Plans need some refinement, address zone changes
- Return on investment: Could help facilitate leases of existing buildings and new development
- Land ownership/coordination: Supportive business district
- Overall cost: Depends on level of investment
- Catalyst: Need to kick start area

## Other Recommendations



- Eight other areas
  - Additional land use work needed
  - Zoning improvements
  - Greater infrastructure analysis



## Next Steps

- Direction on pursuit of investment in certain areas
- Implementation
  - Determine costs
  - Dedicate funding
  - Dedicate staffing
- Implications for upcoming budget and CIP