



# REPORT TO PLANNING COMMISSION City of Sacramento

# 4

915 I Street, Sacramento, CA 95814-2671

STAFF REPORT  
May 12, 2011

To: Members of the Planning Commission

**Subject: 700 Block Project (P10-087)**

A request to redevelop the 700 K Street block with mixed use on 1.18± acres in the Central Business District (C-3) zone and located in the Central Business District Special Planning District. The proposal includes 137 rental apartments, 64,881 square feet of retail including restaurants and clubs, and a 27,828 square foot parking structure.

- A. Environmental Determination: Environmental Impact Report;
- B. Mitigation Monitoring Plan;
- C. Special Permit for a Major Project over 75,000 square feet in the C-3 zone;
- D. Special Permit to partially waive parking on the site for residents and residential guests.

**Location/Council District:**

The 700 Block project is the half block on the south side of K Street between 7<sup>th</sup> and 8<sup>th</sup> Streets. Assessor's Parcel Number: 006-0096-002, 006-0096-003, 006-0096-004, 006-0096-005, 006-0096-006, 006-0096-007, 006-0096-008, 006-0096-009, 006-0096-010, 006-0096-018, and 006-0096-019

Council District 1

**Recommendation:** Staff recommends the Planning Commission approve the request based on the findings and subject to the conditions listed in Attachment 1. The Commission has final approval authority over items A-D above, and its decision is appealable to City Council.

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**Applicant:** Bay Miry, 700 Block Investors, LP, 1006 4<sup>th</sup> Street, Suite 701, Sacramento, CA 95814.



**Owner:** Redevelopment Agency, City of Sacramento, 915 I Street, Sacramento, CA 95814. (Attention: Beth Tincher)

**Summary:** The applicant is proposing to redevelop a half block on the south side of K Street between 7<sup>th</sup> and 8<sup>th</sup> Streets. The site currently is developed with storefront buildings that were previously retail and restaurant establishments with office and residential uses on the upper floors. The project proposes to rehabilitate the historic facades and to demolish the portion of the site adjacent to the alley for construction of a new five story apartment building over a two-level parking structure. The project site currently has 11 parcels which will be merged into one parcel.

<b>Table 1: Project Information for 700 Block Project</b>
<b>General Plan designation:</b> Central Business District
<b>Existing zoning of site:</b> Central Business District (C-3)
<b>Existing use of site:</b> Existing Storefronts with Office/Residential on Upper Floors
<b>Property area:</b> 1.175 ± acres or 51,200 square feet
<b>Density:</b> 117± dwelling units/acre
<b>FAR:</b> 4.02 (Calculated as $233,768 - 27,828 = 205,940 / 51,200$ )*

\*Floor Area Ratio Calculations include the gross building area over the net lot area. Structured parking is excluded from the calculation.

**Background Information:** The 700 block of K Street was identified in the Merged Downtown Sacramento Redevelopment and Implementation Plan as contributing to blight which is characterized by vacant parcels, deteriorated buildings, uneconomic land uses, and unsafe sidewalks. In 2004, the JKL Corridor Workshop identified this site as a critical location for revitalization of K Street with a focus on mixed use development including ground floor retail, housing, and cultural uses to eliminate blight, stimulate economic growth, and provide for a range of housing types. Over the past few years, the Redevelopment Agency has been assembling property located on the 700 and 800 block of K Street. On July 13, 2010, the City Council adopted Resolution 2010-030 which selected D&S Development and CFY Development as the preferred developer for the south side of the 700 Block of K Street.

**Prior Review and Comment Hearings:** The Preservation Commission conducted a Review and Comment hearing on January 5, 2011 and the Planning Commission conducted a Review and Comment hearing on January 13, 2011. Both the Preservation Commission and Planning Commission were very supportive of the project and comments received have been added to this report as Attachment 7.

The project requires final approval from the Preservation Commission for design-related issues. The public hearing is scheduled for May 19, 2011.

**Public/Neighborhood Outreach and Comments:** The planning application for the 700 Block Project was submitted December 10, 2010. The proposal was routed for early

review to the Downtown Sacramento Partnership, Sacramento Old City Association, Neighborhood Advisory Group (NAG), Alkali Mansion Flats Neighborhood Association, the Preservation Roundtable, and the Environmental Council of Sacramento (ECOS). The site was posted and staff notified the following groups about the final public hearings: property owners within 500 feet of the subject site, neighborhood groups & business associations in the area, and past public speakers at the Review and Comment hearings. At the time of writing this report, no additional comments had been received.

**Environmental Considerations:** The Redevelopment Agency of the City of Sacramento (Agency) and the City of Sacramento (City) are co-lead agencies for the preparation of an Environmental Impact Report (EIR) for the redevelopment of the 700 Block of K Street. The EIR analyzed the potential impacts to cultural and historic resources, with the remainder of the issue areas analyzed in the Initial Study. The impacts to the historic resources in the K/L alley and the cumulative impacts to historic resources were determined to be Significant and Unavoidable. All other impacts were determined to be less than significant or less than significant with mitigation. Mitigation measures are proposed for impacts to historic and archeological resources.

**Policy Considerations:** The subject site is designated as Central Business District on the General Plan Land Use and Urban Form Diagram. The Central Business District (CBD) is Sacramento's most intensely developed area. The CBD includes a mixture of retail, office, governmental, entertainment and visitor-serving uses built on a formal framework of streets and park spaces laid out for the original Sutter Land Grant in the 1840s. The vision for the CBD is a vibrant downtown core that will continue to serve as the business, governmental, retail, and entertainment center for the city and the region. A significant element in the future CBD includes new residential uses. Increasing the residential population will add vitality to the CBD by extending the hours of activity and the built-in market for retail, services, and entertainment.

### Urban Form Guidelines

Key urban form characteristics envisioned for the Central Business District include the following:

1. A mixture of mid- and high-rise buildings creating a varied and dramatic skyline with unlimited heights.
2. Lot coverage generally not exceeding 90 percent.
3. Buildings are sited to positively define the public streetscape and public spaces.
4. Building facades and entrances directly addressing the street and have a high degree of transparency.
5. An interconnected street system providing for traffic and route flexibility.
6. Vertical and horizontal integration of residential uses.

7. Public parks and open space areas within walking distance of local residents.
8. Parking is integrated into building or placed in separate structures.
9. Minimal or no curb cuts along primary streets.
10. Side or rear access to parking and service functions.
11. Broad sidewalks appointed with appropriate pedestrian amenities, including sidewalk/café seating.
12. Street design integrating pedestrian, bicycle, transit and vehicular use and incorporates traffic-calming features and on-street parking.
13. Consistent planting of street trees providing shade and enhance character and identity.

Staff finds that the project for the 700 Block meets the intent of the above guidelines as proposed since the building has a mix of residential and commercial uses, has large storefronts facing the public streets, screens the parking garage from street views, and vehicular access is located on the alley. Although the proposal has more than 90 percent lot coverage, it is consistent with the intent of the guidelines because there are rooftop gardens, decks, and balconies for the residents and this portion of K Street is closed to vehicles so there are pedestrian amenities including café seating and benches.

General Plan Development Standards for the "Central Business District" Designation

Density: 61 units/net acre minimum to 450 units/net acre maximum.

Floor Area Ratio (FAR): Minimum 3.00 FAR to maximum 15.00 FAR.

Residential development that is a part of a mixed use building shall comply with the FAR range and is not subject to the density requirement. Stand alone residential development shall comply with the density range. Staff has confirmed the project as currently proposed meets all FAR requirements with a floor area ratio of 4.0.

General Plan Policies

**LU 2.7.8 Screening of Off-street Parking.** *The City shall reduce the visual prominence of parking within the public realm by requiring most off-street parking to be located behind or within structures or otherwise fully or partially screened from public view.* Staff finds that the proposal includes constructing a parking structure that is wrapped with residential and retail uses along the street frontages.

**LU 4.1.4 Alley Access.** *The City shall encourage the use of well-designed and safe alleys to access individual parcels in neighborhoods in order to reduce the number of curb cuts, driveways, garage doors, and associated pedestrian/automobile conflicts*

*along street frontages.* Staff finds that the parking structure is designed to be accessed from the alley and there are no proposed curb cuts along the street frontages.

**LU 5.5.2 Transit-Oriented Development.** *The City shall actively support and facilitate mixed-use retail, employment, and residential development around existing and future transit stations.* Staff finds the proposed project is transit-oriented because it includes residential and retail uses adjacent to a light rail station.

**LU 5.6.1 Downtown Center Development.** *The City shall encourage development that expands the role of the CBD as the regional center for commerce, arts, culture, entertainment, and government.* Staff finds the project includes a live music venue at 700 K Street along with other retail and restaurant uses to contribute to the mix of cultural, commerce, and entertainment uses downtown.

**LU 5.6.3 Mixed Use Downtown Development.** *The City shall support a mixed use, vibrant Central Business District by encouraging innovative mixed use development resulting in development consistent with Sacramento's commitment to environmental sustainability.* Staff finds the proposal includes the addition of residential units over commercial uses to support the downtown area as a place to live, work, shop, and play.

**HCR 2.1.11 Compatibility with Historic Context.** *The City shall review proposed new development, alterations, and rehabilitation/remodels for compatibility with the surrounding historic context. The City shall pay special attention to the scale, massing, and relationship of proposed new development to surrounding historic resources.* Staff finds that the K Street Site Line Exhibit submitted by the applicant (see Exhibit 33) demonstrates that the proposed new construction along the alley is compatible in scale with the historic buildings.

**HCR 2.1.12 Contextual Elements.** *The City shall promote the preservation, rehabilitation, restoration, and/or reconstruction, as appropriate, of contextual elements (e.g., structures, landscapes, street lamps, signs) related to the historic resource.* Staff finds that the proposal includes reconstructing a bay window at 716 K Street based on a historic photo.

**HCR 2.1.14 Demolition.** *The City shall consider demolition of historic resources as a last resort, to be permitted only if rehabilitation of the resource is not feasible, demolition is necessary to protect the health, safety, and welfare of its residents, or the public benefits outweigh the loss of the historic resource.* Staff finds that the storefronts along K Street are proposed to be rehabilitated however, the rear sixty feet of the structures which face the alley will be demolished; and this demolition is necessary to add 122 residential units and a parking garage to activate the downtown area and act as a catalyst for further development.

**M 2.1.3 Streetscape Design.** *The City shall require that pedestrian-oriented streets be designed to provide a pleasant environment for walking including shade trees; plantings; well-designed benches, trash receptacles, news racks, and other furniture; pedestrian-scaled lighting fixtures; wayfinding signage; integrated transit shelters; public art; and other amenities.* Staff finds that a separate streetscape project was

implemented for the 700 block of K Street including the relocation of a light rail station from K Street to 7<sup>th</sup> Street and other improvements for trash bins, lighting, and bike racks which will enhance the overall pedestrian experience. Furthermore, the 700 Block project scope contemplates kiosks on K Street along with café seating which will positively contribute to the efforts to upgrade the streetscape.

***M 6.1.4 Reduction of Parking Areas.*** *The City shall strive to reduce the amount of land devoted to parking through such measures as development of parking structures, the application of shared parking for mixed use developments, and the implementation of Transportation Demand Management plans to reduce parking needs.* Staff finds the project includes the construction of a parking garage and a request to reduce the number of required spaces onsite for the residential units and their guests since the site is located adjacent to an existing light rail station, public parking is available at the Downtown Plaza across the street, and bicycle parking is provided onsite.

#### Central City Community Plan Policies

***CC.LU 1.7 Central Business District.*** *The City shall improve the physical and social conditions, urban aesthetics, and general safety of the Central Business District.* Staff finds that the project includes residential units that will provide “eyes on the street” to enhance safety and the new construction on the alley and rehabilitation of the storefronts will improve the urban aesthetics for the area.

***CC.HCR 1.1 Preservation.*** *The City shall support programs for the preservation of historically and architecturally significant structures which are important to the unique character of the Central City.* Staff finds that the project includes the rehabilitation of the storefront buildings on K Street which were constructed beginning in the late 1800s through the 1950s and the structures are representative of the original historic fabric of K Street.

***CC.H 1.1 Mixed-Use Buildings.*** *The City shall provide the opportunity for mixture of housing with other uses in the same building or on the same site at selected locations to capitalize on the advantages of close-in living.* Staff finds the mixed use proposal capitalizes on a prime downtown location adjacent to light rail and contributes to the realization of complete neighborhoods to live, work, shop, and play.

#### 2008-2013 Housing Element:

***H-1.2.4*** *The City shall actively support and encourage mixed-use retail, employment and residential development around existing and future transit stations, centers and corridors.* Staff finds the subject site is located adjacent to light rail stations and the project will promote transit use with the proposed mix of uses.

#### **Land Use**

The following land uses are summarized below for the 700 Block Development. The proposal includes a total of 137 rental apartments, 64,881 square feet of retail including restaurants and clubs, and a 27,828 square foot parking structure.

<b>Table 2: Land Uses for the 700 Block Project</b>		
<b>Address</b>	<b>Building Reference</b>	<b>Proposed Land Uses</b>
700 K Street ( <i>HISTORIC LANDMARK</i> )	Pacific States Building / Men's Warehouse	Live music venue with roof terrace
704 K Street	Joe Sun	Restaurant and Retail
708 K Street	Former Flagstone Hotel	Restaurant, Retail, and 4 apartments
712 K Street	Buckley Building / Galleria	Retail or Salon, and 3 apartments
716 K Street ( <i>HISTORIC LANDMARK</i> )	Boyne Building / Morelia	Bakery or Coffee Shop, and 2 apartments
718 K Street	Tattoo	Restaurant, and 4 apartments
724 K Street	W.T. Grant	Restaurant, and residential community center
726 K Street	Burt's Shoes / Tower Records	Retail/Commercial
730 K Street	Market	Retail, and 2 apartments
New Construction on Alley	N/A	5 story apartment building over 2 level parking garage
Future Kiosks on K Street	N/A	To be determined

### **Ground Floor Retail Requirements**

The site also has a 75% ground floor retail requirement along 7<sup>th</sup> Street, K Street, and 8<sup>th</sup> Street. As documented in Table 1 of the Central Business District Special Planning District, land uses such as bars, restaurants (excluding fast food), retail goods, theaters, grocery stores, barber/salons, and bakeries satisfy the ground floor retail classification requirements. Each commercial tenant space must have a minimum interior space depth of sixty feet measured from the inside wall abutting the front property line or have a minimum area of 1,000 square feet along the building frontage, whichever is less. Staff finds the 700 Block proposal meets the ground floor retail requirement, and depth/size for each tenant space for 7<sup>th</sup> Street, K Street, and 8<sup>th</sup> Streets.

### **Height, Bulk, and Setbacks**

In the Central Business District, the setbacks may be zero feet on all elevations. There are also no height restrictions except as noted in the Capitol View Protection Ordinance which states the western half of this block has a height limit of 450 feet and the eastern

half has a height limit of 400 feet. Staff finds that the proposal, which has a maximum height of 91 feet, meets the height requirements as noted in the Capitol View Protection Ordinance.

Staff requested a site line drawing on K Street to determine the massing and bulk of the proposed residential structure on the alley in relation to the historic storefronts facing K Street. Staff finds that the massing is appropriate since the new construction is setback from K Street and does not overshadow the historic facades or impact the pedestrian friendliness of the existing street wall. (See Exhibit 33)

<b>Standard</b>	<b>Required</b>	<b>Proposed</b>	<b>Deviation?</b>
Height	450 Feet for Western Half of Block  400 Feet for Eastern Half of Block	85 feet  (91 feet to top of architectural projection)	no
Front setback (K Street)	0 feet	0 feet	no
Streetside setback (7 <sup>th</sup> Street)	0 feet	0 feet	no
Street side setback (8 <sup>th</sup> Street)	0 feet	0 feet	no
Rear setback (Alley)	0 feet	0 feet	no
Density	61 to 450 dwelling units per net acre	117 dwelling units per net acre	no
Floor Area Ratio	3.0 to 15.0	4.0	no

As indicated above, the project meets all applicable height and area requirements.

**Access, Circulation, and Parking:** The project site is bounded by a public street on three sides: K Street to the north, 7<sup>th</sup> Street to the west, and 8<sup>th</sup> Street to the east. A 20 foot wide public alley runs along the south property line. This segment of K Street does not allow vehicular traffic. 7<sup>th</sup> Street is one-way with traffic traveling south. 8<sup>th</sup> Street is a one-way with traffic traveling north. The light rail tracks run on the north, west, and east side of the subject site.

The proposed project seeks to waive 64 parking spaces out of the 146 total required parking spaces. Of the 64 parking spaces to be waived, 55 spaces are for residents and the remaining 9 spaces would have been designated for guests. As shown on the

attached plans, approximately 60% of the residential units will have an onsite parking space. The remaining 40% of the residents will either choose to adopt a lifestyle that is not dependent on an automobile and will rely on public transportation, or they may seek out a monthly parking pass at a nearby parking garage. Staff supports the request to waive the parking because a) the project site is adjacent to light rail stations, bus stops, and public parking garages; b) the General Plan supports the reduction of parking areas to encourage the use of public transportation, shared parking, and allow development of communities to be more pedestrian-oriented; and c) the surrounding area has a mix of uses to allow residents to live, work, shop, and play without the need for an automobile.

<b>Land Uses</b>	<b>Required Spaces</b>	<b>Spaces Provided</b>	<b>Difference?</b>
Retail, Café, Salon, Bakery, Music Venue, and Restaurants*	0 spaces	0 spaces	No
Residential	137 spaces (1 space per residential unit)	82 spaces	-55 spaces
Residential Guests	9 spaces (1 space per 15 residential units)	0 spaces	-9 spaces
<b>Total Parking</b>	<b>146 total parking</b>	<b>91 parking spaces</b>	<b>- 64 spaces</b>

\*For retail, restaurant, and bar uses in the Central Business District, onsite parking is not required. Only residential, hotels, motels, and office uses require parking.

<b>Total parking required</b>	<b>Required bicycle parking</b>	<b>Provided bicycle parking</b>	<b>Difference</b>
146 parking spaces**	15 facilities minimum	15+ facilities	No

\*One bicycle facility is required for every 10 parking spaces required. Fifty percent of the required bicycle parking has to be Class I facilities and the remaining facilities may be Class I, II, or III. A Class I bicycle parking is an enclosed box or designated room with a secured entry and stationary racks. Class II facilities include a stationary rack that secures both the frame and both wheels of the bicycle and the user supplies only a padlock. Class III facilities include a stationary rack that secures only the front wheel of the bicycle and the user supplies both a padlock and cable.

\*\*The minimum number of bicycle parking facilities shall be based on the number of required vehicle parking spaces prior to consideration of any parking reduction measures.

As indicated above, the project meets or exceeds the bicycle parking requirements. Bicycle parking is provided on the basement level adjacent to the alley. Furthermore, the approved K Street Mall Streetscape project indicates that bike racks will be installed on the sidewalk in front of the commercial storefronts.

### Overview of Residential Units

The proposed 137 units would include 29 studios, 95 one bedroom units and 13 two bedroom units ranging in size from 446 square feet to 1,261 square feet.

<b>Type of Unit</b>	<b>Units Above Historic Storefronts</b>	<b>Units for the New Construction on Alley</b>	<b>Total Number of Units</b>
Studio apartment	0	29	29
1 bedroom	8	39	47
1 bedroom + den	1	47	48
2 bedroom	0	7	7
2 bedroom townhomes	6	0	6
<b>Overall Total Units</b>	<b>15 units</b>	<b>122 units</b>	<b>137 units</b>

### Project Amenities

There is a 3,284 square foot community center with pool table, television and lounge, library, kitchen, and restrooms on the 2<sup>nd</sup> floor of 724 K Street. Laundry facilities are provided on the basement level and 2<sup>nd</sup> floor. A 989 square foot fitness area is provided on 2<sup>nd</sup> floor. Additionally, there is a 5,069 square foot roof garden accessible on the 2<sup>nd</sup> level and a 2,238 square foot roof deck on the 4<sup>th</sup> floor.

There is a third roof deck which is 3,225 square feet however, it is directly accessed from the live music venue at 700 K Street.

## **Zoning Code**

Apartments are permitted by right in the Central Business District (C-3) zone subject to meeting minimum noise requirements. These requirements have been included as an advisory condition in Attachment 1.

Stage theaters (including the live music venue proposed at 700 K Street) are allowed by right in the C-3 zone subject to satisfying Section 5.108 of the City Code which requires the issuance of an Entertainment Permit from Code Enforcement. Venues that provide on-going entertainment are required to obtain an entertainment permit.

Restaurants, retail, bakeries, beauty salons/barbers are allowed by right in the C-3 zone. No Special Permit has been included for bars at the project site since each establishment is seeking an Alcoholic Beverage Control (ABC) License of 41 or 47 for a bona fide eating place. Restaurants are not required to obtain a Special Permit. In the future, if any establishment chooses to change their ABC license for a bar only, a Special Permit would be required.

## **Demolition of Structures**

Approximately 60 feet of the rear portion of the structures fronting on K Street would be demolished as part of the proposed project. An exhibit showing the demolition has been attached to this report as Exhibits 6 - 9.

## **Trash Enclosures**

The Zoning Code (Title 17.72) regulates the location, size, and design of trash enclosures to provide adequate, convenient space for the collection, storage, and loading of recyclable and solid waste material for existing and new development.

### *Recycling Volume Requirements*

For multifamily development, 1 cubic yard recycling volume capacity is required for every 16 units. Restaurant/bars require 1 cubic yard for every 5,000 square feet. Retail sales require 1 cubic yard for every 8,000 square feet and retail services require 1 cubic yard for every 10,000 square feet. (All these commercial uses require a minimum of 90 gallon container regardless of the above calculation.)

### *Overhead Clearance*

The recycling and trash enclosure shall be designed to allow 18 feet of overhead clearance whenever crane-lifted dome recycling receptacles will be used.

### *Signs*

Signs shall be permanently posted or painted on each receptacle listing which material shall be disposed of in that receptacle. General instructions about how to recycle shall be posted within the recycling and trash enclosure or near the receptacle area and shall

be visible to the enclosure/receptacle users. The name and phone number of the person responsible for maintenance of the enclosure or receptacle shall be posted. Any sign visible from outside the enclosure shall be no larger than four square feet.

#### *Convenient Access for Multifamily Residents*

Each recycling and trash enclosure within a multifamily residential development shall be no greater than 250 feet from the nearest point of each unit. Each recycling and trash enclosure or receptacle within a multifamily residential development shall be designed to allow the convenient disposal of recyclable materials and trash by residents without having to open the main enclosure gates.

The applicant has reviewed all the trash enclosure requirements as stated above and agreed to meet the standards. On the attached floor plans, no designated trash area has been defined on the second floor for the residential units along K Street however, the applicant may incorporate trash receptacles in the community room area or modify the floor plan of one of the proposed residential units to include a trash receptacle room. Therefore, staff finds each residential unit will have a recycling and trash enclosure within 250 feet and no entitlement is necessary.

#### **Signage in the Central Business District Special Planning District**

The Central Business District (C-3 SPD) zone allows a maximum of two attached signs per occupant. The maximum area allowed is three square feet per front foot of building occupancy, not to exceed 45 square feet or more than three feet in height. Signage may include the following types of signs:

##### *Projecting Signs*

One projecting sign is allowed per occupant not to exceed 20 square feet per side. The maximum height of the sign is 10 feet and the maximum distance from the building face to the outer edge of the sign is four feet. The minimum height from the sidewalk to the bottom of the sign is eight feet.

##### *Suspended Signs*

One suspended sign is allowed per occupant. The maximum area of each face is nine square feet. The maximum height is 1.5 feet and the minimum height from the bottom of the sign to the sidewalk is 8 feet.

##### *Awning/Canopy Signage*

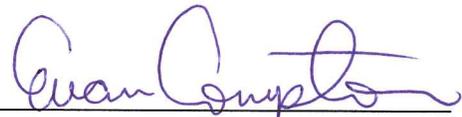
The maximum height of awning/canopy signage is 12 inches. Logos may not exceed 25 percent of the surface area.

No signage has been proposed as part of this approval. A sign program will be required to be reviewed and approved by the Planning Director and Preservation/Design Review staff before sign permits may be issued. This has been included as condition CD2 in Attachment 1.

**Other approvals:** A revocable permit from the Department of Transportation will be required for outdoor seating, any future K Street kiosks, and projections over the right of way such as the bay window and awnings.

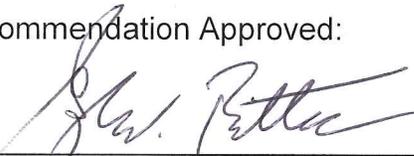
**Conclusion:** Staff recommends approval of the project since the proposal: a) provides a mixed use project on a prominent parcel in the downtown area that has adjacent light rail stations and bus stops, b) allows for the rehabilitation of existing storefronts which are representative of the historic fabric of K Street, c) adds residential units to the Central Business District to increase the number of housing options, d) maintains large commercial storefront windows and adds residential units with windows to provide "eyes on the street" which enhances security, e) provides onsite amenities for residents including rooftop decks, laundry facilities, bicycle parking, and a community room, f) satisfies the zoning code requirements such as the ground floor retail requirements and maximum height restrictions in the Capitol View Protection Ordinance area, and g) is consistent with General Plan policies including screening parking from street views by providing a parking structure that is accessed from the alley thereby maintaining pedestrian friendly street frontages.

Respectfully submitted by:



EVAN COMPTON  
Acting Senior Planner

Recommendation Approved:



GREGORY BITTER, AICP  
Principal Planner

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**Attachment 1**  
**Proposed Findings of Fact and Conditions of Approval**  
**700 Block (P10-087)**  
**South Side of K Street between 7<sup>th</sup> and 8<sup>th</sup> Streets**

**Findings Of Fact**

**A&B. Environmental Impact Report and Mitigation Monitoring Program:**

1. The Planning Commission finds that the Environmental Impact Report for 700 Block of K Street (herein EIR) which consists of the Draft EIR and the Final EIR (Response to Comments) (collectively the "EIR") has been completed in accordance with the requirements of the California Environmental Quality Act (CEQA), the State CEQA Guidelines and the Sacramento Local Environmental Procedures.
2. The Planning Commission certifies that the EIR was prepared, published, circulated and reviewed in accordance with the requirements of CEQA, the State CEQA Guidelines and the Sacramento Local Environmental Procedures, and constitutes an adequate, accurate, objective and complete Final Environmental Impact Report in full compliance with the requirements of CEQA, the State CEQA Guidelines and the Sacramento Local Environmental Procedures.
3. The Planning Commission certifies that the EIR has been presented to it, that the Planning Commission has reviewed the EIR and has considered the information contained in the EIR prior to acting on the proposed Project, and that the EIR reflects the Planning Commission's independent judgment and analysis.
4. Pursuant to CEQA Guidelines sections 15091 and 15093, and in support of its approval of the Project, the Planning Commission adopts the attached Findings of Fact and Statement of Overriding Considerations in support of approval of the Project as set forth in Exhibit A of this Record of Decision.
5. Pursuant to CEQA section 21081.6 and CEQA Guidelines section 15091, and in support of its approval of the Project, the Planning Commission adopts the Mitigation Monitoring Program to require all reasonably feasible mitigation measures be implemented by means of Project conditions, agreements, or other measures, as set forth in the Mitigation Monitoring Program as set forth in Exhibit B of this Record of Decision.
6. Upon approval of the Project, the City's Environmental Planning Services shall file a notice of determination with the County Clerk of Sacramento County and, if the Project requires a discretionary approval from any state agency, with the State Office of Planning and Research, pursuant to the provisions of CEQA section 21152.

7. Pursuant to Guidelines section 15091(e), the administrative record of these proceedings is located, and may be obtained from, the City of Sacramento Community Development Department, Environmental Planning Services, 300 Richards Boulevard, Sacramento, CA 95811-0218. The custodian of these documents and other materials is the Community Development Department, Environmental Planning Services.

**C&D.** The **Special Permits** for a Major Project over 75,000 square feet in the Central Business District (C-3 SPD) zone and to partially waive parking for new residential development are **approved** subject to the following Findings of Fact:

1. The project is based upon sound principles of land use in that:
  - a. the restaurant, retail, and residential uses are allowed by right in the Central Business District (C-3) zone;
  - b. the future owners of units without onsite parking are adopting a lifestyle that will not depend on automobiles in their daily life but instead will rely on public transportation;
  - c. the project will increase ridership of the lightrail and bus system and will contribute to the availability of housing options in the Central Business District.
2. The proposed use would not be detrimental to the public health, safety and welfare, nor result in a public nuisance in that:
  - a. the commercial storefronts and residential apartments will provide "eyes on the street," and will activate the streets increasing safety in the central core area;
  - b. the project includes the rehabilitation of the existing storefronts which are representative of the original historic fabric of K Street;
  - c. the project will not significantly impact the neighborhood parking situation since there is both onstreet parking and public parking garages in the nearby vicinity;
  - d. the parking structure is accessed from the alley and there are no proposed vehicular curb cuts along 7<sup>th</sup>, 8<sup>th</sup>, or K Streets that would negatively impact a pedestrian friendly environment.

3. The proposed project is consistent with the General Plan designation of Central Business District because the development: will meet the FAR (floor area ratio) requirements for a new mixed use project, will act as a catalyst for further infill development in the area, and will locate new commercial and residential uses adjacent to existing light rail stations.

### **Conditions Of Approval**

**C&D.** The **Special Permits** for a Major Project over 75,000 square feet in the Central Business District (C-3 SPD) zone and to partially waive parking for new residential development are **approved** subject to the following conditions of approval:

### **Planning**

- CD1. The applicant shall obtain all necessary building and/or encroachment permits prior to commencing construction.
- CD2. A sign program shall be submitted to the Planning Director and Preservation/Design Review staff for review and approval before the issuance of any sign permits.
- CD3. The applicant shall meet all conditions of approval from the Preservation Commission decision.
- CD4. All rooftop mechanical equipment shall be completely screened from public street views.
- CD5. Rooftop landscaping shall be maintained in a healthy and serviceable condition.
- CD6. Decorative photocell light fixtures shall be provided on the building façade along the alley. The fixture shall be of a type that automatically comes on at dusk and goes off at dawn. The fixtures are subject to the review and approval of Preservation staff.
- CD7. Any changes or modifications to the plans shall require additional review and approval of Planning staff.
- CD8. A sign indicating a 24-hour emergency phone number and contact person shall be kept current and posted for residents of the building as a Good Neighbor Policy. The contact person shall be responsible for coordinating between the residential and K Street commercial uses to ensure there is no detrimental noise, light, or other issues that would affect the peace and welfare of the residents.
- CD9. Final mural designs shall be subject to the review and approval of Preservation staff.
- CD10. A signed copy of the Affidavit of Zoning Code Development Standards and each of the pages of this Record of Decision shall be scanned and inserted as a general sheet(s) in the plan set for any building permit submittal associated with this project.

CD11. The applicant shall comply with the requirements of the Mitigation Monitoring Plan developed by and kept on file in the Community Development Department. (P10-087)

### **Department of Transportation**

CD12. Construct standard improvements as noted in these conditions pursuant to chapter 18 of the City Code. Improvements shall be designed and constructed to City standards in place at the time that the Building Permit is issued. All improvements shall be designed and constructed to the satisfaction of the Department of Transportation. Any public improvement not specifically noted in these conditions shall be designed and constructed to City Standards. **This shall include street lighting and the repair or replacement/reconstruction of any existing deteriorated curb, gutter and sidewalk fronting the property along K street, 7<sup>th</sup> Street and 8<sup>th</sup> Street per City standards to the satisfaction of the Department of Transportation;**

CD13. The applicant shall repair/reconstruct any deteriorated portions of the existing alley Per City Standards (In Concrete) and to the satisfaction of the Department of Transportation. The limit of work shall be from 7<sup>th</sup> Street to 8<sup>th</sup> Street along the projects frontage on the alley;

CD14. A revocable encroachment permit is required if any portions of the building protrude onto the right of way. Prior to obtaining any building permits, the applicant shall apply for and obtain a revocable encroachment permit for such items (If any) and shall comply with all the requirements of such permit to the satisfaction of the Department of Transportation;

CD15. Prior to obtaining any building permits, the applicant shall apply for, process and record a Lot Merger of the 11 existing parcels into one parcel to facilitate the project development as proposed;

CD16. All new driveways shall be designed and constructed to City Standards to the satisfaction of the Department of Transportation;

CD17. 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 at the following intersections:

- a. South–East corner of K and 7<sup>th</sup> Street.
- b. South-West corner of K and 8<sup>th</sup> Street.

### **Building**

CD18. At all locations where wall openings are proposed in locations not allowed by 2010 CBC Table 705.8, parcels shall be merged in order to allow the openings.

CD19. At any locations where buildings are bisected by a property line, parcels shall be merged.

CD20. If any part of the structure has occupiable floor space more than 75 feet above the lowest level of Fire Department vehicle access, the structure shall comply with CBC Section 403.

CD21. This project shall comply with all applicable requirements of the 2010 California Code of Regulations Title 24 parts 2, 3, 4, 5, 6, 8, 9, 10, 11, and 12.

### **Regional Transit**

CD22. Transit information shall be displayed in a prominent location for renters, employees, and customers.

CD23. The project shall not disrupt transit service during construction.

### **Fire Department**

CD24. Provide the required fire hydrants in accordance with CFC 507 and Appendix C, Section C105.

CD25. Timing and Installation. When fire protection, including fire apparatus access roads and water supplies for fire protection, is required to be installed, such protection shall be installed and made serviceable prior to and during the time of construction. CFC 501.4

CD26. Provide a water flow test. (Make arrangements at the Permit Center walk-in counter: 300 Richards Blvd, Sacramento, CA 95814). CFC 508.4

CD27. Provide appropriate Knox access for site. CFC Section 506

CD28. An automatic fire sprinkler system shall be installed in any portion of a building when the floor area of the building exceeds 3,599 square feet.

CD29. Locate and identify Fire Department Connections (FDCs) on address side of building no further than 50 feet and no closer than 15 feet from a fire hydrant.

CD30. An approved fire control room shall be provided for all buildings protected by an automatic fire extinguishing system. Fire control rooms shall be located within the building at a location approved by the Chief, and shall be provided with a means to access the room directly from the exterior. Durable signage shall be provided on the exterior side of the access door to identify the fire control room. CFC 903.8

CD31. Structure shall comply with City Code 15.100 Highrise code if there are floors used for human occupancy that are located more than 75 feet above the lowest fire department access.

CD32. Building shall meet the requirements of Sacramento City Code 15.36.060 Public Safety Radio Communications. See attached letter from Scott C. Andrews, Department of Information Technology.

## **Utilities**

- CD33. The building pad elevation shall be approved by the DOU and shall be a minimum of 1.5 feet above the local controlling overland release elevation or a minimum of 1.2 feet above the highest adjoining back of sidewalk elevation, whichever is higher, unless otherwise approved by the Department of Utilities.
- CD34. The applicant must comply with the City of Sacramento's Grading, Erosion and Sediment Control Ordinance. This ordinance requires the applicant to show erosion and sediment control methods on the subdivision improvement plans. These plans shall also show the methods to control urban runoff pollution from the project site during construction.
- CD35. Foundation or basement dewatering discharges to the CSS will not be allowed. The CSS does not have adequate capacity to allow for dewatering discharges for foundations or basements. Foundations and basements shall be designed without the need for dewatering.
- CD36. 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 recording the final map. The impact to the CSS is estimated to be 129 ESD's. The Combined Sewer System fee is estimated to be \$296,793.99 plus any increases to the fee due to inflation.

## **Environmental**

- CD37. All toilets on the project site shall be low-flow.
- CD38. The project shall include construction of a green roof to the satisfaction of the Planning Director. This does not preclude the ability of the applicant to construct other green roofs on the project site.
- CD39. High HTC-rated and energy efficient windows shall be installed in the residential and commercial areas and storefronts. For the four structures that are listed as historic per CEQA, the original windows will be repaired or replaced in accordance with the Secretary of the Interior's Rehabilitation Standards.

**Advisory Conditions:**

Planning

- ADV1. The proposed grocery store on 8<sup>th</sup> Street is less than 15,000 square feet therefore any proposal to sell alcohol will require a Planning Commission Special Permit.
- ADV2. Electronic billboard signs are prohibited by the Zoning Code. (Ordinance 2007-079) The LED panels shown on the 704 K Street façade elevation drawing will require review of the Planning Director for compliance with this prohibition.
- ADV3. The apartments are permitted by right in the central city subject to meeting the minimum noise standards found in 17.24.050 (76a) which requires the building design of all new residential structures located in areas of the city above sixty decibals to incorporate construction standards to reduce interior noise levels to the satisfaction of the environmental coordinator.

Parks

- ADV4. As per City Code, the applicant will be responsible to meet his/her obligations regarding: Title 18, 18.44 Park Development Impact Fee, due at the time of issuance of building permit. The Park Development Impact Fee due for this project is estimated at \$441,907. This is based on 137 multi-family units at the Standard Rate of \$3,058 per unit and 63,780 square feet of Retail/Commercial at the Standard Rate of \$0.36 per square foot. Any change in these factors will change the amount of the PIF due. The fee is calculated using factors at the time that the project is submitted for building permit.

Utilities

- ADV5. The proposed project is located in the Flood zone designated as Shaded X zone on the Federal Emergency Management Agency (FEMA) Federal Insurance Rate Maps (FIRMs) that have been revised by a Letter of Map Revision effective February 18, 2005. Within the Shaded X zone, there are no requirements to elevate or flood proof.
- ADV6. 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 fire suppression systems.

Sewer District

ADV7. The subject property is outside the boundaries of the SASD but within the Urban Service Boundary and SRCSD shown on the Sacramento County General Plan. SRCSD will provide ultimate conveyance and treatment of the sewer generated from this site, but the Sacramento City Utilities Department's approval will be required for local sewage service. Developing this property will require the payment of SRCSD sewer impact fees. Impact fees shall be paid prior to issuance of Building Permits. Applicant should contact the Fee Quote Desk at 876-6100 for sewer impact fee information.

### PG&E

ADV8. To ensure consistent uses around PG&E's gas facilities, the City and or any developer(s) should work closely with PG&E in the development of their plans to ensure the safety and reliability of PG&E's facilities. PG&E may need to provide wheel loading requirements over the gas facilities during construction activities and will also need to ensure that adequate access is maintained for future maintenance, construction, reconstruction, repair, etc. on the gas lines. The requesting party will be responsible for the costs associated with the relocation of existing PG&E facilities to accommodate their proposed development. Because facilities relocation's require long lead times and are not always feasible, the requesting party should be encouraged to consult with PG&E as early in their planning stages as possible.

### Police Department

#### *Roof Issues*

ADV9. All air duct or air vent openings exceeding 8" x 12" on the roof or exterior walls should be secured to prevent unlawful entry from the roof.

ADV10. Air conditioning units in this part of town are favorite targets for thieves seeking to steal the recyclable material used in the condensers. Special care should be taken to prevent this type of theft.

ADV11. The Police Department recommends against exterior roof access ladders unless required by code. If they are required, then special measures should be taken to ensure a thief cannot climb up them.

#### *Apartment Managers*

ADV12. All on-site managers shall minimally meet the certification standards of the Rental Housing Association (RHA) of Sacramento as is outlined in their 5-day "Apartment Management Training Program" This comprehensive training includes: Detailed instruction in tenant screening, (i.e. criminal history checks, credit checks & background checks). Detailed instruction on rental agreements, fair housing laws, customer service, rents & deposits. Detailed

instruction on dealing with problem tenants, dealing with criminal activity and processing evictions.

- ADV13. Renting individual rooms in multi-room apartments is prohibited.
- ADV14. The lease / rental agreement shall contain an addendum that lists specific consequences for prohibited activities and criminal behavior. An addendum that states the policy for towing vehicles from the premises is recommended.

#### *Benches*

- ADV15. Benches, trash cans, and bicycle racks should be constructed in a manner consistent with crime prevention strategies and placed in highly visible locations. Exterior benches should be designed to discourage loitering and sleeping by utilizing partitions or circular designs that wrap around trees or poles. Wrought iron benches are desirable because they provide a fireproof design that is difficult to damage and is easily secured to the ground.

#### *Building Design*

- ADV16. Masonry walls and tall shrub lines are inconsistent with crime prevention by environmental design strategies. However, if they are essential and cannot be avoided, masonry walls should incorporate graffiti reducing art. Tall shrubs should be a hostile variety to reduce habitation by transients. Incorporating these principles early in the design process is highly recommended.
- ADV17. Sound attenuation for residential units is a paramount concern for the police department.

#### *Common Areas*

- ADV18. Any child play areas should be located in areas that have the maximum observation from adjacent units.
- ADV19. Community laundry rooms are frequent locations for violent crimes. If community laundry rooms are part of the design for this project, video cameras shall be positioned to record who enters and exits the laundry room.

#### *Doors*

- ADV20. A viewing device or peephole shall be installed in each individual unit entrance door and shall allow for 180-degree vision.
- ADV21. Any rear door used to admit employees or deliveries shall be equipped with a 180 degree viewing device to screen persons before allowing entry.

#### *Lighting*

ADV22. Parking lots shall have a minimum illumination intensity of 1.0 foot-candles per square foot at 36 inches above ground.

ADV23. Ground lights that illuminate the pedestrian zone around the building are highly recommended because they provide great light in the area where it is most needed and they are resistant to vandalism.

*Parking Lots*

ADV24. Assigned parking spaces shall not be numbered to coincide with dwelling unit numbers.

*Phones*

ADV25. Pay telephones have a history of contributing to crime issues. Staff recommends against installing public telephones on the premises.

*Planters*

ADV26. Any exterior planters shall be designed with walls/edges that prevent skateboarders from grinding, riding or sliding on or along the planter.

ADV27. If exterior planters are part of the plan, staff would like to talk to the applicant or his representative about designs that will prevent transients from turning them into living space.

*Postal Boxes*

ADV28. In order to prevent mail theft, mail/postal boxes shall be placed in a high traffic area.

*Site Security*

ADV29. There shall be no video/arcade machines maintained upon the premises at any time without the review and approval of the Police Department.

*Trash Receptacles*

ADV30. Dumpster enclosures shall be kept locked. Preferably, enclosures should be constructed with a vertical wrought iron design to allow visual access.

ADV31. Trash cans should be visibly open to discourage unlawful use. As with benches, trash receptacles should be designed to be vandal resistant. Wrought iron designs are fireproof, can be easily secured to the ground and cannot be easily broken and utilized as a weapon or projectile.

- ADV32. Trash enclosure areas, such as those used for dumpsters, can be used as ambush points by criminals. The preferred option for these areas is wrought iron enclosures that remain locked. Any other non-transparent enclosure is not recommended, but if selected, must also remain locked.
- ADV33. Trash receptacles shall be bolted or affixed to the ground or other permanent structure. Only a plastic liner shall be removable.
- ADV34. Trash receptacles shall be constructed of materials that cannot be broken into smaller pieces that can be used as weapons.
- ADV35. Trash receptacles shall be made of fireproof materials.
- ADV36. Closed-circuit color video cameras shall be employed to monitor: a) the primary points of entry for vehicles into the parking lot and pedestrians into the building; b) main hallways; c) community laundry room entrances; and d) mail boxes.
- ADV37. The recording device shall be: a) located in the building control room; and b) a digital video recorder (DVR) capable of storing a minimum of 7 days worth of activity however, a DVR capable of storing 30 days worth of activity is greatly preferred.
- ADV38. Signs that say the property is monitored by video surveillance are recommended at the primary points of entry for vehicles and pedestrians.

*Alley*

- ADV39. The police department encourages the applicant to consider ways to utilize the alley for things other than storing trash cans. Uses that attract legitimate patrons to the alley will have a crime reducing effect.

*Regional Transit*

- ADV40. The developer should consider developing a program to offer transit passes at a 50% or greater discount to new renters for a period of six months or more. Employers should also consider offering employees subsidized transit passes at 50% or greater discount.

## Exhibit A: Findings and Statement of Overriding Consideration

### Exhibit A

#### CEQA Findings of Fact and Statement of Overriding Considerations for the 700 Block of K Street Project

##### Description of the Project

Currently, the project site is comprised of eleven underutilized parcels. The proposed project site is almost fully built out with a mix of buildings that were constructed beginning in the late 1800's through the 1950's. This portion of the block is representative of the original historic fabric of K Street, with some of the properties listed in the Sacramento Register of Historic and Cultural Resources. A small parcel at the south-westernmost edge of the site adjacent to the alley at 7<sup>th</sup> Street is vacant.

The 700 Block of K Street project proposes a mixed-use development with 137 residential units and retail/restaurant/entertainment uses and a parking garage. The development densities would be below those assumed for the site in the Master EIR for the City of Sacramento's 2030 General Plan.

As part of the proposed project, the majority of the existing building facades along K Street would be renovated in order to maintain the existing pedestrian scale and storefront characteristics. The proposed project would redevelop the existing structures along K Street with retail and restaurant uses, and convert the upper floors of several buildings to residential uses. The entire south half of the half block, along the alley, is proposed for demolition and construction of a single five-story residential building over a two-level parking garage. The first level of the garage would be below grade.

This proposed project would also install the infrastructure connections for development of the site.

##### Findings Required Under CEQA

###### 1. Procedural Findings

The Planning Commission of the City of Sacramento finds as follows:

Based on the initial study conducted for 700 Block of K Street project, SCH # 2010112014, (herein after the Project), the City of Sacramento's Environmental Planning Services determined, on substantial evidence, that the Project is an anticipated subsequent project identified and described in the 2030 General Plan Master EIR; that the Project is consistent with the 2030 General Plan land use designation and the permissible densities and intensities of use for the project site; that the discussions of cumulative impacts, growth inducing impacts, and irreversible significant effects in the Master EIR are adequate for the Project; and that the Project **will** have additional significant environmental effects not previously examined in the Master EIR. Therefore, staff prepared a focused environmental impact report ("EIR") on the Project which incorporates by reference the Master EIR and analyzes only the project-specific significant environmental effects and any new or additional mitigation measures or alternatives that were not identified and analyzed in the Master EIR. Mitigation measures from the Master EIR have been applied to the project as appropriate. The

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EIR was prepared, noticed, published, circulated, reviewed, and completed in full compliance with the California Environmental Quality Act (Public Resources Code §21000 *et seq.* ("CEQA")), the CEQA Guidelines (14 California Code of Regulations §15000 *et seq.*), and the City of Sacramento environmental guidelines, as follows:

a. A Notice of Preparation of the Draft EIR was filed with the Office of Planning and Research and each responsible and trustee agency and was circulated for public comments from November 1, 2010 through December 1, 2010.

b. A Notice of Completion (NOC) and copies of the Draft EIR were distributed to the Office of Planning and Research on February 16, 2011 to those public agencies that have jurisdiction by law with respect to the Project, or which exercise authority over resources that may be affected by the Project, and to other interested parties and agencies as required by law. The comments of such persons and agencies were sought.

c. An official 45-day public comment period for the Draft EIR was established by the Office of Planning and Research. The public comment period began on February 16, 2011 and ended on April 4, 2011.

d. A Notice of Availability (NOA) of the Draft EIR was mailed to all interested groups, organizations, and individuals who had previously requested notice in writing on February 15, 2011. The NOA stated that the City of Sacramento had completed the Draft EIR and that copies were available at the City of Sacramento, Development Services Department, New City Hall, 915 I Street, Third Floor, Sacramento, California 95814. The letter also indicated that the official 45-day public review period for the Draft EIR would end on April 4, 2011.

e. A public notice was placed in the Daily Recorder on February 15, 2011 which stated that the Draft EIR was available for public review and comment.

f. Following closure of the public comment period, all comments received on the Draft EIR during the comment period, the City's written responses to the significant environmental points raised in those comments, and additional information added by the City were added to the Draft EIR to produce the Final EIR.

## 2. Record of Proceedings

The following information is incorporated by reference and made part of the record supporting these findings:

a. The Draft and Final EIR and all documents relied upon or incorporated by reference;

b. The City of Sacramento 2030 General Plan adopted March 3, 2009 and all updates.

c. The Master Environmental Impact Report for the City of Sacramento 2030 General Plan certified on March 3, 2009, and all updates.

d. Findings of Fact and Statement of Overriding Considerations for the Adoption of the Sacramento 2030 General Plan adopted March 3, 2009, and all updates.

e. Zoning Ordinance of the City of Sacramento

f. Blueprint Preferred Scenario for 2050, Sacramento Area Council of Governments, December, 2004

g. The Mitigation Monitoring Program for the Project.

h. All records of decision, staff reports, memoranda, maps, exhibits, letters, synopses of meetings, and other documents approved, reviewed, relied upon, or prepared by any City commissions, boards, officials, consultants, or staff relating to the Project.

### 3. Findings

CEQA requires that the lead agency adopt mitigation measures or alternatives, where feasible, to substantially lessen or avoid significant environment impacts that would otherwise occur. Mitigation measures or alternatives are not required, however, where such changes are infeasible or where the responsibility for the project lies with some other agency. (CEQA Guidelines, § 15091, sub. (a), (b).)

With respect to a project for which significant impacts are not avoided or substantially lessened, a public agency, after adopting proper findings, may nevertheless approve the project if the agency first adopts a statement of overriding considerations setting forth the specific reasons why the agency found that the project's "benefits" rendered "acceptable" its "unavoidable adverse environmental effects." (CEQA Guidelines, §§ 15093, 15043, sub. (b); see also Pub. Resources Code, § 21081, sub. (b))

In seeking to effectuate the substantive policy of CEQA to substantially lessen or avoid significant environmental effects to the extent feasible, an agency, in adopting findings, need not necessarily address the feasibility of *both* mitigation measures and environmentally superior alternatives when contemplating approval of a proposed project with significant impacts. Where a significant impact can be mitigated to an "acceptable" level solely by the adoption of feasible mitigation measures, the agency, in drafting its findings, has no obligation to consider the feasibility of any environmentally superior alternative that could also substantially lessen or avoid that same impact — even if the alternative would render the impact less severe than would the proposed project as mitigated. (*Laurel Hills Homeowners Association v. City Council* (1978) 83 Cal.App.3d 515, 521; see also *Kings County Farm Bureau v. City of Hanford* (1990) 221 Cal.App.3d 692, 730-731; and *Laurel Heights Improvement Association v. Regents of the University of California* ("*Laurel Heights I*") (1988) 47 Cal.3d 376, 400-403.)

In these Findings, the City first addresses the extent to which each significant environmental effect can be substantially lessened or avoided through the adoption of feasible mitigation measures. Only after determining that, even with the adoption of all feasible mitigation measures, an effect is significant and unavoidable does the City address the extent to which alternatives described in the EIR are (i) environmentally superior with respect to that effect and (ii) "feasible" within the meaning of CEQA.

In cases in which a project's significant effects cannot be mitigated or avoided, an agency, after adopting proper findings, may nevertheless approve the project if it first adopts a statement of overriding considerations setting forth the specific reasons why the agency found that the "benefits of the project outweigh the significant effects on the environment." (Public Resources Code, Section 21081, sub. (b); see *also*, CEQA Guidelines, Sections 15093, 15043, sub (b).) In the Statement of Overriding Considerations found at the end of these Findings, the City identifies the specific economic, social, and other considerations that, in its judgment, outweigh the significant environmental effects that the Project will cause.

The California Supreme Court has stated that "[t]he wisdom of approving ... any development project, a delicate task which requires a balancing of interests, is necessarily left to the sound discretion of the local officials and their constituents who are responsible for such decisions. The law as we interpret and apply it simply requires that those decisions be informed, and therefore balanced." (*Goleta II* (1990) 52 Cal.3d 553 at 576.)

In support of its approval of the Project, the Planning Commission makes the following findings for each of the significant environmental effects and alternatives of the Project identified in the EIR pursuant to Section 21080 of CEQA and section 15091 of the CEQA Guidelines:

**A. Significant or Potentially Significant Impacts Mitigated to a Less Than Significant Level.**

The following significant and potentially significant environmental impacts of the Project, including cumulative impacts, are being mitigated to a less than significant level and are set out below. Pursuant to section 21081(a)(1) of CEQA and section 15091(a)(1) of the CEQA Guidelines, as to each such impact, the Planning Commission, based on the evidence in the record before it, finds that changes or alterations incorporated into the Project by means of conditions or otherwise, mitigate, avoid or substantially lessen to a level of insignificance these significant or potentially significant environmental impacts of the Project. The basis for the finding for each identified impact is set forth below.

**Cultural Resources**

**Impact 4.1-2: Implementation of the 700 K Street project could cause a substantial change in the significance of historical resources (hollow sidewalks) as defined in CEQA Guidelines Section 15064.5. Without mitigation this is a significant impact.**

**Mitigation Measure (From MMP):** The following mitigation measure has been adopted to address this impact:

***MM 4.1-2***

*If there are no feasible means of preserving the necessary character defining features of the resource, as part of the Disposition and Development or other activity that could adversely affect a feature of a hollow sidewalk, the applicant shall work with the City Preservation Director to determine an appropriate mitigation fee to cover the cost of preserving the same length of hollow sidewalk in a different location, based on the existing condition of the hollow sidewalks along K Street and the applicable Secretary of*

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*Interior Standards for the preservation of such resource. This fee must be paid before permits for demolition and/or construction are issued. The mitigation fee may consist of a contribution to a City Preservation Fund, as established by the City Council as grant provider for historic buildings.*

**Finding:** With implementation of the mitigation measure(s), this impact is reduced to a *less than significant* level. Although not anticipated, the project could result in significant impacts to the hollow sidewalks fronting the proposed project site. Payment of the mitigation fee required by Mitigation Measure 4.1-2 would reduce the impact to a less-than-significant level by ensuring the preservation of the same length of another hollow sidewalk in another location in the City.

**Impact 4.1-3: Implementation of the 700 K Street project could cause a substantial change in the significance of an archaeological resource as defined in CEQA Guidelines Section 15064.5. Without mitigation this is a significant impact.**

**Mitigation Measure (From MMP):** The following mitigation measure has been adopted to address this impact:

*MM 4.1-3*

*The following shall apply to any ground disturbing activities associated with development of the project.*

a. *Prior to any excavation, grading or other construction on the project site, and in consultation with Native American Tribes and the City's Preservation Director: a qualified archaeologist will prepare a testing plan for testing areas proposed for excavation or any other ground-disturbing activities as part of the project, which plan shall be approved by the City's Preservation Director. Testing in accordance with that plan will then ensue by the qualified archaeologist, who will prepare a report on findings, and an evaluation of those findings, from those tests and present that report to the City's Preservation Director. Should any findings be considered as potentially significant, further archaeological investigations shall ensue as approved by the Preservation Director, by the qualified archaeologist, and the archaeologist shall prepare reports on those investigations and evaluations relative to eligibility of the findings to the Sacramento, California or National Registers of Historic Places and submit that report to the City's Preservation Director, State Historic Preservation Officer, and appropriate Native American Tribal representative/s if applicable, with recommendations for treatment, disposition, or reburials of significant findings, as appropriate. Also, at the conclusion of the pre-construction testing, evaluation and reports and recommendations, a decision will be made by the City's Preservation Director, based upon the findings of the reports, as to whether on-site monitoring during any project-related excavation or ground-disturbing activities by a qualified archaeologist will be required.*

b. *Discoveries during construction: For those projects where no on-site archaeological monitoring was required, in the event that any historic or prehistoric subsurface archeological features or deposits, including locally darkened soil ("midden"), that could conceal cultural deposits, animal bone, obsidian and/or mortars are discovered during construction-related earth-moving activities, all work within 50 meters of the resources shall be halted, and a qualified archeologist will be consulted to assess the significance of the find. Archeological test excavations shall be conducted by a qualified archeologist to aid in determining the nature and integrity of the find. If the find*

*is determined to be significant by the qualified archeologist, representatives of the City, including the City's Preservation Director, and the qualified archeologist shall coordinate to determine the appropriate course of action. All significant cultural materials recovered shall be subject to scientific analysis and professional museum curation, or reburial in accordance with Tribal consultations if required. A report shall be prepared by the qualified archeologist according to current professional standards.*

*c. If a Native American site is discovered, the evaluation process shall include consultation with the appropriate Native American representatives.*

*d. If Native American archeological, ethnographic, or spiritual resources are involved, all identification and treatment shall be conducted by qualified archeologists, who are certified by the Society of Professional Archeologists (SOPA) and/or meet the federal standards as stated in the Code of Federal Regulations (36 CFR 61), and Native American representatives, who are approved by the local Native American community as scholars of the cultural traditions.*

*e. In the event that no such Native American is available, persons who represent tribal governments and/or organizations in the locale in which resources could be affected shall be consulted. If historic archeological sites are involved, all identified treatment is to be carried out by qualified historical archeologists, who shall meet either Register of Professional Archeologists (RPA), or 36 CFR 61 requirements.*

*If a human bone or bone of unknown origin is found during construction, all work shall stop in the vicinity of the find, and the County Coroner, and City's Preservation Director, shall be contacted immediately. If the remains are determined to be Native American, the Coroner shall notify the Native American Heritage Commission, who shall notify the person most likely believed to be a descendant. The most likely descendant shall work with the contractor to develop a program for re-internment of the human remains and any associated artifacts. No additional work is to take place within the immediate vicinity of the find until the identified appropriate actions have taken place. Work can continue on other parts of the project site while the unique archeological resource mitigation takes place.*

**Finding:** With implementation of the mitigation measure(s), this impact is reduced to a *less than significant* level. Mitigation 4.1-3 outlines a plan to test the proposed project site prior to excavation or other ground-disturbing activities, and to address any uncovered archeological resources. While unforeseen archeological resources or Native American resources may still be found during any ground disturbing activities, the mitigation will significantly reduce potential impacts to resources by ensuring that construction is halted immediately upon discovery and the resources are appropriately handled.

**B. Significant and Unavoidable Impacts.**

The following significant and potentially significant environmental impacts of the Project, including cumulative impacts, are unavoidable and cannot be mitigated in a manner that would substantially lessen the significant impact. Notwithstanding disclosure of these impacts, the Planning Commission elects to approve the Project due to overriding considerations as set forth below in Section G, the statement of overriding considerations.

**Impact 4.1-1: Implementation of the 700 K Street project could cause a substantial change in the significance of historical resources (700, 716, and 726 K Street and historic alley facades) as defined in CEQA Guidelines Section 15064.5. Without mitigation, this is a significant impact.**

**Mitigation Measure (From MMP):** The following mitigation measure has been adopted to address this impact:

*MM 4.1-1*

*(a) The following resources shall be removed and/or protected prior to any demolition or construction activities that could result in loss or damage. A demolition plan shall be reviewed and approved by the City's Preservation Director prior to construction. The resources shall be rehabilitated or reinstalled in locations approved by the City's Preservation Director.*

- *700 K Street: Interior multi-level volume of space alongside the arched windows on the west wall of the structure.*
- *Historic Alley Facades: rear wall of 712/ 714 K Street. In addition to the wall's re-installation at a new location, provide interpretation on-site of the historic 19<sup>th</sup> century alley district elements that are to be demolished. The interpretation shall include a permanent metal exhibit incorporating historic and current photographs and descriptions of all the 19<sup>th</sup> century alley facade district's features and their history. The exhibit's design and locations shall be approved by the City's Preservation Director.*

*(b) 716 K: Prior to submittal for building permits on this building, detailed design plans and elevations for the building's K Street entry and façade will be submitted for review and approval by the Preservation Director such that original materials and character-defining features will be retained and rehabilitated, and the missing original projecting bay will be reconstructed, in accordance with the Secretary of the Interior's Standards for Rehabilitation and for Reconstruction respectively.*

*(c) 726 K: Prior to submittal for building permits on this building, design plans and elevations for the building's K Street entry and façade will be submitted for review and approval by the Preservation Director such that original materials and character-defining features will be retained and rehabilitated in accordance with the Secretary of the Interior's Standards for Rehabilitation, and that any additions or new construction at the façade or entry area will be designed in accordance with the Secretary of the Interior's Standards for Rehabilitation.*

**Finding:** The proposed demolition of the rear portions of the buildings at 704, 708, 712/ 714, 720, and 724 K Street would result in the loss of significant features and characteristics that contribute to the scale, size, and overall image of the potentially-eligible "Greyhound alley façade" district. The elements at the rear of these buildings convey a sense of time and place reflecting the City's unique early downtown history. Although no portion of the building at 716 K Street would be demolished in order to construct the proposed new structure because the building is shorter than the others fronting K Street, the building would no longer be adjacent to the alley. As defined by CEQA, the loss of these resources would be a substantial adverse change to these

historic resources, and mitigation that reduces the impact to a less-than-significant level has not been identified.

For these reasons, the impact remains *significant and unavoidable*.

**Impact 4.1-4: Implementation of the 700 K Street project, in conjunction with other development in the City, could cause a substantial change in the significance of a historic resource as defined in CEQA Guidelines Section 15064.5. Without mitigation, this is a significant impact.**

**Mitigation Measure (From MMP):** The following mitigation measure has been adopted to address this impact:

*MM 4.1-4*

*Implement Mitigation Measure 4.1-1 and Mitigation Measure 4.1-2*

**Finding:** The potential for the continued loss of historic resources in the City was determined to be Significant and Unavoidable in the City's Master EIR for the General Plan. As noted in Impact 4.1-1, the proposed project would have significant and unavoidable impacts to specific historic resources. For this reason, development of the proposed project would result in a cumulatively considerable impact to historic resources.

For these reasons, the project's contribution to the cumulative loss or damage of historic resources would be *Significant and Unavoidable*.

**C. Findings Related to the Relationship Between Local Short-term Uses of the Environment and Maintenance and Enhancement of Long-term Productivity.**

Based on the EIR and the entire record before the Planning Commission, the Planning Commission makes the following findings with respect to the project's balancing of local short term uses of the environment and the maintenance of long term productivity:

- As the project is implemented, certain impacts would occur on a short-term level. Such short-term impacts are discussed above. Where feasible, measures have been incorporated in the project to mitigate these potential impacts.
- The project would result in the long-term commitment of resources to develop and operate the project including water, natural gas, fossil fuels, and electricity. The long-term implementation of the project would provide economic benefits to the City. The project would be developed within an existing urban area and not contribute to urban sprawl. Notwithstanding the foregoing, some long-term impacts would result.

Although there are short-term and long-term adverse impacts from the project, the short-term and long-term benefits of the project justify implementation.

#### D. Project's Contribution of Greenhouse Gas Emissions

##### Greenhouse Gas Emissions Discussion

As part of its action in approving the 2030 General Plan, the City Council certified the Master Environmental Impact Report (Master EIR) that evaluated the environmental effects of development that is reasonably anticipated under the new general plan. The Master EIR includes extensive discussion of the potential effects of greenhouse gas emissions. The Master EIR discussions regarding climate change are incorporated here by reference. See:

Draft EIR: 6.1 Air Quality (Page 6.1-1)  
Final EIR: City Climate Change Master Response (Page 4-1)  
Errata No. 2: Climate Change (Page 12)

These documents are available at:

[www.cityofsacramento.org/dsd/planning/environmental-review/eirs/](http://www.cityofsacramento.org/dsd/planning/environmental-review/eirs/) and at the offices of the Community Development Department at 300 Richards Boulevard, Third Floor, Sacramento, California.

The project-specific analysis of greenhouse gas emissions resulting from this proposed project is tiered from the Master EIR for the General Plan, as provided in Sections 15175 through 15179.5 and 15183.5 of the CEQA Guidelines. The City analyzed and mitigated the significant effects of greenhouse gas emissions at a programmatic level in the Master EIR for the 2030 General Plan.

As determined in the Initial Study, the proposed project, and the level of development proposed, is an anticipated subsequent project identified and described in the Master EIR. The proposed project is consistent with the General Plan designation for the project site (CBD); therefore, the greenhouse gas emission discussion in the General Plan Master EIR addressed the potential emissions from the proposed project site. Because the amount of emitted CO<sub>2</sub> can be calculated for a specific project on the site, the project's greenhouse gases (GHG) emissions (construction and operational emissions from mobile sources) are discussed below.

##### Short-term Construction Emissions

During construction of the project GHG emissions would be emitted from the operation of construction equipment and from worker and building supply vendor vehicles. The total CO<sub>2</sub> emissions generated by the construction of the project would be approximately 694.5 metric tons per year for construction of the project. These emissions would equate to approximately 0.0014 percent of the estimated GHG emissions for all sources in California (483 million metric tons).<sup>1</sup> Currently, construction is anticipated to take approximately two years.

##### Long-term Operational Emissions

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<sup>1</sup> See Appendix C for the URBEMIS modeling results for CO<sub>2</sub>.

The largest source of greenhouse gas emissions associated with the proposed project would be on- and off-site motor vehicle use. CO<sub>2</sub> emissions, the primary GHG emission from mobile sources, are directly related to the quantity of fuel consumed. CO<sub>2</sub> emissions during operation of the project at full build-out of the proposed project would be approximately 2,165 metric tons, which equates to 0.004 percent of California's total emissions.

The development would be required to comply with current California building codes that require structures to incorporate energy efficient materials and design.

#### Ongoing Activities for the Reduction of GHG Emissions in the City

The 2030 General Plan included direction to staff to prepare a Climate Action Plan for the City. Staff has continued work on this plan since adoption of the 2030 General Plan. The Climate Action Plan will provide additional guidance for the City's ongoing efforts to reduce GHG emissions. The tentative completion date for the Climate Action Plan is 2012. This Plan's purpose is to reduce the City's operational emissions.

Action continues at the State and federal level to combat climate change. In December 2009 the Environmental Protection Agency listed greenhouse gases as harmful emissions under the Clean Air Act. The EPA action could eventually result in regulations that would have as their purpose the reduction of such emissions.

In January 2011, changes were made to Title 24 of the California Code of Regulations (also known as the *California Green Building Standards Code and the CALGreen Code*). The purpose of the CALGreen Code is to enhance the design and construction of buildings to encourage sustainable construction practices in planning and design that result in energy efficiency, water efficiency and conservation, material conservation and resource efficiency, and environmental quality.

The Master EIR concluded that GHG emissions that could be emitted by all development within the City that is consistent with the 2030 General Plan would be cumulatively considerable and unavoidable (Errata No. 2, Page 12). The Master EIR includes a full analysis of GHG emissions and climate change, and adequately analyzes this impact.

The proposed 700 Block of K Street project is consistent with the 2030 General Plan, and would further advance the City's efforts to promote infill development and strengthening of the urban environment. Buildings constructed as part of the project would be required to comply with current California building codes that enforce energy efficiency, including the recently enacted CALGreen.

Attachment 1 to the Mitigation Monitoring Plan lists the 2030 General Plan Policies and Implementation Measures that Mitigate Climate Change. The proposed project is compliant with the following policies from the list:

- The project is considered infill development (LU 1.1.5) and the redevelopment of an existing urbanized area. The project optimizes the City's investments in infrastructure and community facilities, supports increased transit use, promotes pedestrian and bicycle friendly neighborhoods, ensures the integrity of historic districts, and enhances retail viability.

- The project is infill development where City services are in place (LU 1.1.9).
- The project proposes a mixed-use neighborhood that would accommodate local-serving commercial, employment, and entertainment uses, provides diverse housing opportunities, and would be efficiently served by transit (LU 2.1.4).
- Per Policy LU 2.1.5, the project proposes infill development, redevelopment, rehabilitation, and reuse efforts that contribute positively to existing neighborhoods.
- The project complies with Policy LU 2.6.1 in that it proposes a high density, compact development pattern in a mixed use project that reduces the dependence on automobiles of its future tenants, visitors, and residents.
- The project would revitalize a distressed and under-utilized area (LU 2.6.2).
- The project would incorporate buildings that use less water and energy and would effectively use daylight (LU 2.6.3).
- The project would retain and reuse existing buildings and make the existing structures more energy efficient (LU 2.6.4).
- The project would reduce the existing heat island effect through the installation of at least one green roof (LU 2.6.6).
- The project proposes to engage the street through façade articulations, ground floor transparency, and the location of the parking structure at the rear of the parcels (LU 2.7.7).
- The project proposes the vertical integration of a complementary mix of nonresidential uses that support the future residents (LU 4.4.6 and LU 5.1.5).
- The project proposes commercial and residential development that is adjacent to an existing light rail station, in compliance with LU 5.5.2.
- The project would result in the adaptive reuse of historic resources per Policy HCR 2.1.13.
- The project proposes that the pedestrian entrances to new residential structure face the streets and provide connections to sidewalks (M 2.1.6).
- As previously noted, there is a light rail station is on 7th Street, fronting the proposed project site. The existing infrastructure would provide direct pedestrian and bicycle access to the station from the project site (M 3.1.12)
- The project proposes 84 parking spaces for the 137 dwelling units. This proposal complies with Policies M6.1.1 and M6.1.4 to reduce the amount of parking.

- The project proposes recycling and reusing materials from the demolished portions of the buildings to the extent feasible and cost effective (U5.1.11 and U5.1.12).
- The project would upgrade, through replacement, the appliances and HVAC systems in the existing structures so that they meet the new energy standards (U6.1.11).
- The project would not hinder the City's efforts to meet Statewide greenhouse reduction goals (ER 6.1.3).
- Per Policy ER 6.1.5, the project would discourage auto-dependent sprawl and dependence on a private automobile, promote water conservation through the use of low flow toilets in a compact development that is mixed use, pedestrian- and transit-oriented.

The following Conditions of Approval are required to specifically further reduce the emissions of greenhouse gases from the proposed project:

All toilets on the project site shall be low-flow.

At a minimum, the project shall include construction of a green roof over the residential common area.

High HTC-rated and energy efficient windows shall be installed in the residential and commercial areas and storefronts. For the four structures that are historic per CEQA, the original windows will be repaired or replaced in accordance with the Secretary of the Interior's Rehabilitation Standards.

The project is consistent with the City's goals as set forth in the 2030 General Plan and Master EIR relating to reduction of GHG emissions. There are no uses proposed on the project site that could result in higher emissions of greenhouse gases than assumed for the type of development envisioned in the General Plan. The project would not impede the City's efforts to comply with AB 32 requirements. The project would not have any significant additional environmental effects relating to GHG emissions or climate change.

#### **E. Project Alternatives.**

The Planning Commission has considered the Project alternatives presented and analyzed in the final EIR and presented during the comment period and public hearing process. Some of these alternatives have the potential to avoid or reduce certain significant or potentially significant environmental impacts, as set forth below. The Planning Commission finds, based on specific economic, legal, social, technological, or other considerations, that these alternatives are infeasible. Each alternative and the facts supporting the finding of infeasibility of each alternative are set forth below.

**Alternative Considered and Dismissed from Further Consideration**

**Alternative Site**

Section 15126.6(f)(2)(B) requires that the Lead Agency disclose the reasons for not considering an alternative project site. This alternative for the proposed project was dismissed from further consideration. Such an alternative would eliminate the Significant and Unavoidable impact to historic resources by not requiring the demolition of the K/L alley within the project boundary. However, the goal of the proposed project is the redevelopment of a specific block of the City.

The City's redevelopment strategy focuses on two nodes: the 10<sup>th</sup>/K block and the 700/800 blocks. Over the past several years the Redevelopment Agency acquired the parcels on the project site with the intent of redevelopment of the site. The site allows for a transit oriented development (with light rail on three sides of the site and bus service on two sides) creating housing near an employment base and supporting SMART growth principles.

**Facts in Support of Finding of Infeasibility**

Because the Agency does not own adjoining parcels of sufficient size at the 10<sup>th</sup>/K block, this type of master planning for redevelopment of an entire one-half block is not possible.

**Summary of Alternatives Considered**

**No Project Alternative**

This alternative assumes that the project site would be developed consistent with the currently allowed land uses, zoning, and development intensities; however, the parcels would not be merged and there would not be a cohesive plan for development of the eleven parcels. Each parcel would be developed individually from the others. This alternative must consider the effects of forgoing the project. The purpose of analyzing this alternative is to allow decision-makers to compare the impacts of the proposed project to the impacts of not approving the project as proposed.

This alternative assumes development of the parcels that do not require demolition or disturbance to the historic façades in the K/L Alley.

It is important to note that the proposed project would not result in significant and unavoidable impacts to any environmental resource area except historic resources. As with this No Project/Existing Zoning Alternative, the proposed project would also develop in accordance with the existing land use and zoning designations for the site.

This alternative would result in essentially the same impacts as assumed for the project site in the Master EIR for the General Plan, as both analyses assumed development of the sites in accordance with the General Plan designations.

Because a variety of land uses and densities could be developed on the project site in accordance with the existing zoning, it is too speculative to determine development assumptions for the site for a quantitative comparison to the proposed project.

Therefore, the impacts are examined qualitatively. The traffic impacts are assumed to be the same since both the project and this alternative would comply with the development densities allowed by the Zoning Code.

The same footprint as the proposed project would be developed; therefore, the effects related to the location of development, such as the potential loss of archeological resources and exposure to hazards and hazardous materials would be the same.

It is assumed that the air impacts would be less with this alternative because no demolition would take place.

The impacts to public utilities (water, wastewater, and stormdrainage) are anticipated to be the same because of the need to supply fire flows to any structure that is renovated.

The impacts to noise are assumed to be less with this alternative when compared to the proposed project because it is not anticipated that the entertainment venue, roof top garden, and roof decks would be constructed without a single vision for the block.

The impacts to public services (police, fire, and schools) and the attendant environmental impacts could be similar with this alternative, because both the proposed project and the alternative could result in more residents in an area that has been determined to currently require more public service facilities.

Implementation of the mitigation measures to protect archeological resources identified in this DEIR would be required and the developers of the individual parcels would be required to comply with federal and State regulations and the City Code regarding such resources.

Potential impacts to hollow sidewalks could occur with this alternative because the development of a parcel could result in the need to make structural changes that could impact the hollow sidewalks. Implementation of the mitigation measure for this impact would reduce these impacts to a less-than-significant level.

#### **Facts in Support of Finding of Infeasibility**

This alternative would not meet any of the objectives established for this project. The individual parcels would develop individually, in accordance with the Zoning Code and the General Plan, without the benefit of an overall plan for an established vision. However, the alternative would eliminate the significant impact to historic resources because demolition of the K/L alley facades within the project boundary would not be required.

#### **Complete Historic Preservation Alternative**

This alternative would require the block to be developed without the significant and unavoidable impacts to the K/L alley facades within the project boundary.

This alternative assumes that the eleven parcels of the block would be merged and developed as a cohesive whole. As with the No Project/ Existing Zoning Alternative, the impacts associated with this alternative are described qualitatively because a variety of land uses and densities could be developed on the project site.

It is important to note that the proposed project would not result in significant impacts to any environmental resource area except historic resources. As with this alternative, the proposed project would also develop in accordance with the existing land use and zoning designations for the site.

This alternative would result in essentially the same impacts as assumed for the project site in the Master EIR for the General Plan, as both analyses assumed development of the sites in accordance with the General Plan designations.

**Facts in Support of Finding of Infeasibility**

This alternative would meet some of the objectives established for this project; however, without the development of the new structure that would house 134 residential units and provide parking for the residential uses, it is unlikely that high density, transit oriented development could be developed.

**F. Statement of Overriding Considerations:**

Pursuant to Guidelines section 15092, the Planning Commission finds that in approving the Project it has eliminated or substantially lessened all significant and potentially significant effects of the Project on the environment where feasible, as shown in Sections 5.0 through 5.6. The Planning Commission further finds that it has balanced the economic, legal, social, technological, and other benefits of the Project against the remaining unavoidable environmental risks in determining whether to approve the Project and has determined that those benefits outweigh the unavoidable environmental risks and that those risks are acceptable. The Planning Commission makes this statement of overriding considerations in accordance with section 15093 of the Guidelines in support of approval of the Project.

**Statement of Overriding Considerations**

Pursuant to Guidelines section 15092, the City Planning Commission finds that in approving the Project it has eliminated or substantially lessened all significant and potentially significant effects of the Project on the environment where feasible, as shown in Chapter 4.1 of the Draft EIR. The City Planning Commission further finds that it has balanced the economic, legal, social, technological, and other benefits of the Project against the remaining unavoidable environmental risks in determining whether to approve the Project and has determined that those benefits outweigh the unavoidable environmental risks and that those risks are acceptable. The City Planning Commission makes this statement of overriding considerations in accordance with section 15093 of the Guidelines in support of approval of the Project.

The project would bring high density, transit-oriented development to the Central Business District (CBD). The project would reactivate the 700 Block of K Street by replacing uneconomical land uses with a vibrant mixed-use community to help revitalize the entire downtown. A neighborhood retail center would be included, as would housing opportunities, in the CBD. The project would rehabilitate the K Street facades of Landmark buildings and would rebuild and/or renovate the other K Street facades in the block in order to retain the general scale and historic character of the block of buildings.

The City Planning Commission adopts the mitigation measures in the final Mitigation and Monitoring Program, incorporated by reference into these Findings (see Exhibit B), and finds that any residual or remaining effects on the environment resulting from the project, identified as significant and unavoidable in the Findings of Fact, are acceptable due to the benefits set forth in this Statement of Overriding Considerations. The City Planning Commission makes this Statement in accordance with section 10593 of the CEQA Guidelines in supporting approval of the project.

Exhibit B: Mitigation Monitoring Plan

Exhibit B  
Mitigation Monitoring Plan

Impact	Mitigation Measure	Implementing Party	Timing	Verification of Compliance
<p>Impact 4.1-1 Implementation of the 700 K Street project could cause a substantial change in the significance of historical resources (700, 716, and 726 K Street and historic alley facades) as defined in CEQA Guidelines Section 15064.5.</p>	<p><b>4.1 Cultural Resources</b></p> <p><i>MM 4.1-1</i> (a) <i>The following resources shall be removed and/or protected prior to any demolition or construction activities that could result in loss or damage. A demolition plan shall be reviewed and approved by the City's Preservation Director prior to construction. The resources shall be rehabilitated or reinstalled in locations approved by the City's Preservation Director.</i></p> <ul style="list-style-type: none"> <li><i>700 K Street: Interior multi-level volume of space alongside the arched windows on the west wall of the structure.</i></li> <li><i>Historic Alley Facades: rear wall of 712/ 714 K Street. In addition to the wall's re-installation at a new location, provide interpretation on-site of the historic 19<sup>th</sup> century alley district elements that are to be demolished. The interpretation shall include a permanent metal exhibit incorporating historic and current photographs and descriptions of all the 19<sup>th</sup> century alley facade district's features and their history. The exhibit's design and locations shall be approved by the City's Preservation Director.</i></li> </ul>	<p>Contractor and City's Preservation Director</p> <p>Contractor and City's Preservation Director</p>	<p>Prior to any demolition or construction activities.</p> <p>Prior to submittal for building permits</p>	

<p>Impact 4.1-2 Implementation of the 700 K Street project could cause a substantial change in the significance of historical resources (hollow sidewalks) as defined in CEQA Guidelines</p>	<p>(b) 716 K: Prior to submittal for building permits on this building, detailed design plans and elevations for the building's K Street entry and façade will be submitted for review and approval by the Preservation Director such that original materials and character-defining features will be retained and rehabilitated, and the missing original projecting bay will be reconstructed, in accordance with the Secretary of the Interior's Standards for Rehabilitation and for Reconstruction respectively.  (c) 726 K: Prior to submittal for building permits on this building, design plans and elevations for the building's K Street entry and façade will be submitted for review and approval by the Preservation Director such that original materials and character-defining features will be retained and rehabilitated in accordance with the Secretary of the Interior's Standards for Rehabilitation, and that any additions or new construction at the façade or entry area will be designed in accordance with the Secretary of the Interior's Standards for Rehabilitation.  MM 4.1-2 If there are no feasible means of preserving the necessary character defining features of the resource, as part of the Disposition and Development or other activity that could adversely affect a feature of a hollow sidewalk, the applicant shall work with the City Preservation Director to determine an appropriate mitigation fee to cover the cost of preserving the same length of hollow sidewalk in a different location, based on the existing condition of the hollow sidewalks along K Street and the applicable Secretary of Interior Standards for the preservation of such resource. This fee must be paid before permits for demolition and/or construction are issued. The mitigation fee may consist of a contribution to a City Preservation Fund, as established by the City Council as grant provider for historic buildings.</p>	<p>Contractor and City's Preservation Director</p>	<p>Prior to submittal for building permits</p>	
		<p>Applicant and City's Preservation Director</p>	<p>Part of the DDA</p>	

<p>Section 15064.5.</p>	<p>Impact 4.1-3 Implementation of the 700 K Street project could cause a substantial change in the significance of an archeological resource as defined in CEQA Guidelines Section 15064.5.</p>	<p>MM 4.1-3 The following shall apply to any ground disturbing activities associated with development of the project.</p> <p>a. Prior to any excavation, grading or other construction on the project site, and in consultation with Native American Tribes and the City's Preservation Director: a qualified archaeologist will prepare a testing plan for testing areas proposed for excavation or any other ground-disturbing activities as part of the project, which plan shall be approved by the City's Preservation Director. Testing in accordance with that plan will then ensue by the qualified archaeologist, who will prepare a report on findings, and an evaluation of those findings, from those tests and present that report to the City's Preservation Director. Should any findings be considered as potentially significant, further archaeological investigations shall ensue as approved by the Preservation Director, by the qualified archaeologist, and the archaeologist shall prepare reports on those investigations and evaluations relative to eligibility of the findings to the Sacramento, California or National Registers of Historic Places and submit that report to the City's Preservation Director, State Historic Preservation Officer, and appropriate Native American Tribal representative/s if applicable, with recommendations for treatment, disposition, or reburials of significant findings, as appropriate. Also, at the conclusion of the pre-construction testing, evaluation and reports and recommendations, a</p>	<p>Contractor</p>	<p>Prior to any excavation, grading, or other construction</p>	
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	<p>decision will be made by the City's Preservation Director, based upon the findings of the reports, as to whether on-site monitoring during any project-related excavation or ground-disturbing activities by a qualified archaeologist will be required.</p> <p>f. Discoveries during construction: For those projects where no on-site archaeological monitoring was required, in the event that any historic or prehistoric subsurface archaeological features or deposits, including locally darkened soil ("midden"), that could conceal cultural deposits, animal bone, obsidian and/or mortars are discovered during construction-related earth-moving activities, all work within 50 meters of the resources shall be halted, and a qualified archaeologist will be consulted to assess the significance of the find. Archeological test excavations shall be conducted by a qualified archaeologist to aid in determining the nature and integrity of the find. If the find is determined to be significant by the qualified archaeologist, representatives of the City, including the City's Preservation Director, and the qualified archaeologist shall coordinate to determine the appropriate course of action. All significant cultural materials recovered shall be subject to scientific analysis and professional museum curation, or reburial in accordance with Tribal consultations if required. A report shall be prepared by the qualified archaeologist according to current professional standards.</p> <p>g. If a Native American site is discovered, the evaluation process shall include consultation with the appropriate Native American representatives.</p> <p>h. If Native American archeological, ethnographic, or spiritual resources are involved, all identification and treatment</p>	
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<p>Impact 4.1-4 Implementation of the 700 K Street Block project, in</p>	<p>shall be conducted by qualified archeologists, who are certified by the Society of Professional Archeologists (SOPA) and/or meet the federal standards as stated in the Code of Federal Regulations (36 CFR 61), and Native American representatives, who are approved by the local Native American community as scholars of the cultural traditions.</p> <p>i. In the event that no such Native American is available, persons who represent tribal governments and/or organizations in the locale in which resources could be affected shall be consulted. If historic archeological sites are involved, all identified treatment is to be carried out by qualified historical archeologists, who shall meet either Register of Professional Archeologists (RPA), or 36 CFR 61 requirements.</p> <p>If a human bone or bone of unknown origin is found during construction, all work shall stop in the vicinity of the find, and the County Coroner, and City's Preservation Director, shall be contacted immediately. If the remains are determined to be Native American, the Coroner shall notify the Native American Heritage Commission, who shall notify the person most likely believed to be a descendant. The most likely descendant shall work with the contractor to develop a program for re-interment of the human remains and any associated artifacts. No additional work is to take place within the immediate vicinity of the find until the identified appropriate actions have taken place. Work can continue on other parts of the project site while the unique archeological resource mitigation takes place. MM 4.1-4 Implement Mitigation Measure 4.1-1 and Mitigation Measure 4.1-2</p>	<p>Contractor and City's Preservation Director</p>	<p>Prior to any demolition or construction activities.</p>	
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<p>conjunction with other development in the City, could cause a substantial change in the significance of a historic resource as defined in CEQA Guidelines Section 15064.5.</p>			<p>and Part of the DDA</p>	
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Subject: 700 Block Project (P10-087)

May 12, 2011

Attachment 2: Environmental Impact Report

Please find a link below to the Draft and Final EIR documents:

<http://www.cityofsacramento.org/dsd/planning/environmental-review/eirs/>



Attachment 4: Photos of Existing Buildings

**700 BLOCK**  
700 K Street, Sacramento, CA  
Photographs



1 - 700 K Street, facing North / K Street



2 - 700 K Street, facing West / 7th Street

**700 BLOCK**  
700 K Street, Sacramento, CA  
Photographs



**3 - 700 K Street, facing West / 7th Street**



**4 - 700 K Street, facing West / 7th Street**

**700 BLOCK**  
700 K Street, Sacramento, CA  
Photographs



5 - 700 K Street, interior



6 - 704 K Street

**700 BLOCK**  
700 K Street, Sacramento, CA  
Photographs



7 - 708 K Street



8 - 712 K Street

**700 BLOCK**  
700 K Street, Sacramento, CA  
Photographs



**9 - 716 K Street**



**10 - 718 K Street**

**700 BLOCK**  
700 K Street, Sacramento, CA  
Photographs



**11 – 724 K Street**



**12 – 726 K Street**

**700 BLOCK**  
700 K Street, Sacramento, CA  
Photographs



**13 - 730 K Street**



**14 - 730 K Street, facing East / 8<sup>th</sup> Street**

**700 BLOCK**  
700 K Street, Sacramento, CA  
Photographs



15 - 730 K Street, facing East / 8<sup>th</sup> Street

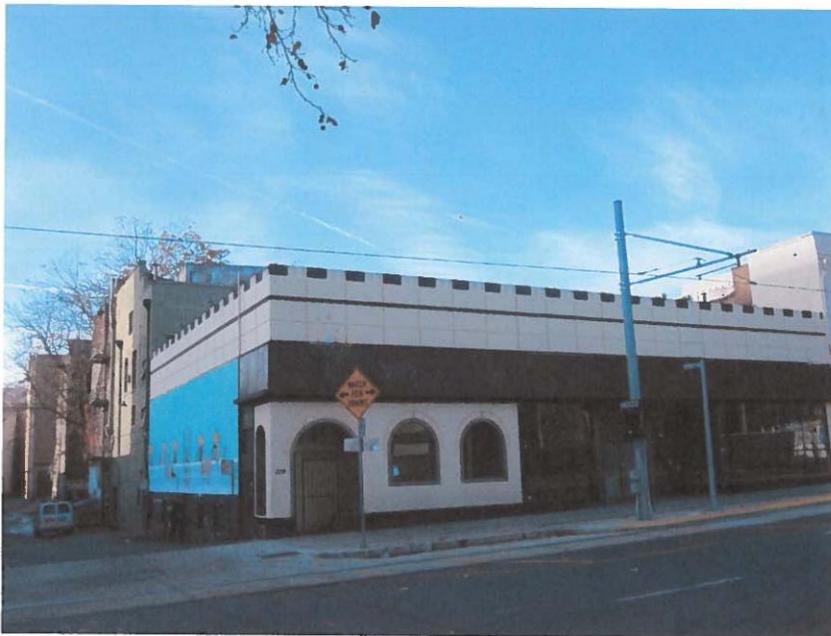


16 - 730 K Street, facing East / 8<sup>th</sup> Street (Tex Mex)

**700 BLOCK**  
700 K Street, Sacramento, CA  
Photographs



**17 - 730 K Street, facing East / 8<sup>th</sup> Street (Tex Mex)**



**18 - 730 K Street, facing East / 8<sup>th</sup> Street (Tex Mex)**

**700 BLOCK**  
700 K Street, Sacramento, CA  
Photographs



**19 - K Street – L Street Alley, looking West**



**20 - 708 K Street, view from Alley**





Exhibit 3: View from Northwest Corner – 7<sup>th</sup> Street



700 BLOCK  
INVESTORS LP

700 BLOCK  
700 K STREET SACRAMENTO, CA

VIEW FROM NORTHWEST CORNER - 7th STREET



A0.2

Exhibit 4: View from Southeast Corner – 8<sup>th</sup> Street



700 BLOCK  
INVESTORS LP

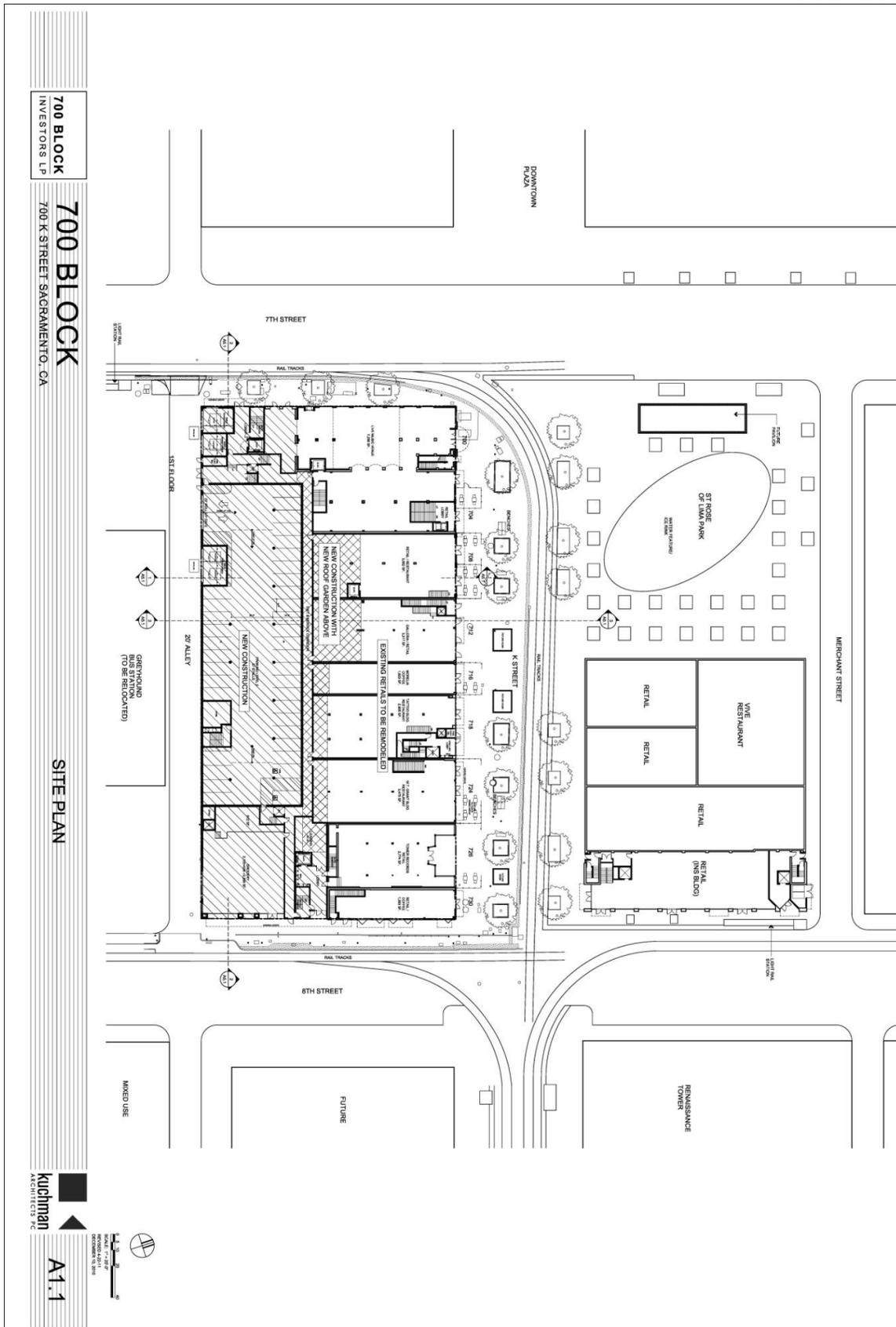
700 BLOCK  
700 K STREET SACRAMENTO, CA

VIEW FROM SOUTHEAST CORNER - 8th STREET

kuchman  
ARCHITECTS PC

A0.3

Exhibit 5: Site Plan



700 BLOCK INVESTORS LP

700 K STREET SACRAMENTO, CA

SITE PLAN

Kuchman ARCHITECTS PC

A1.1

Exhibit 6: Existing Conditions- Basement

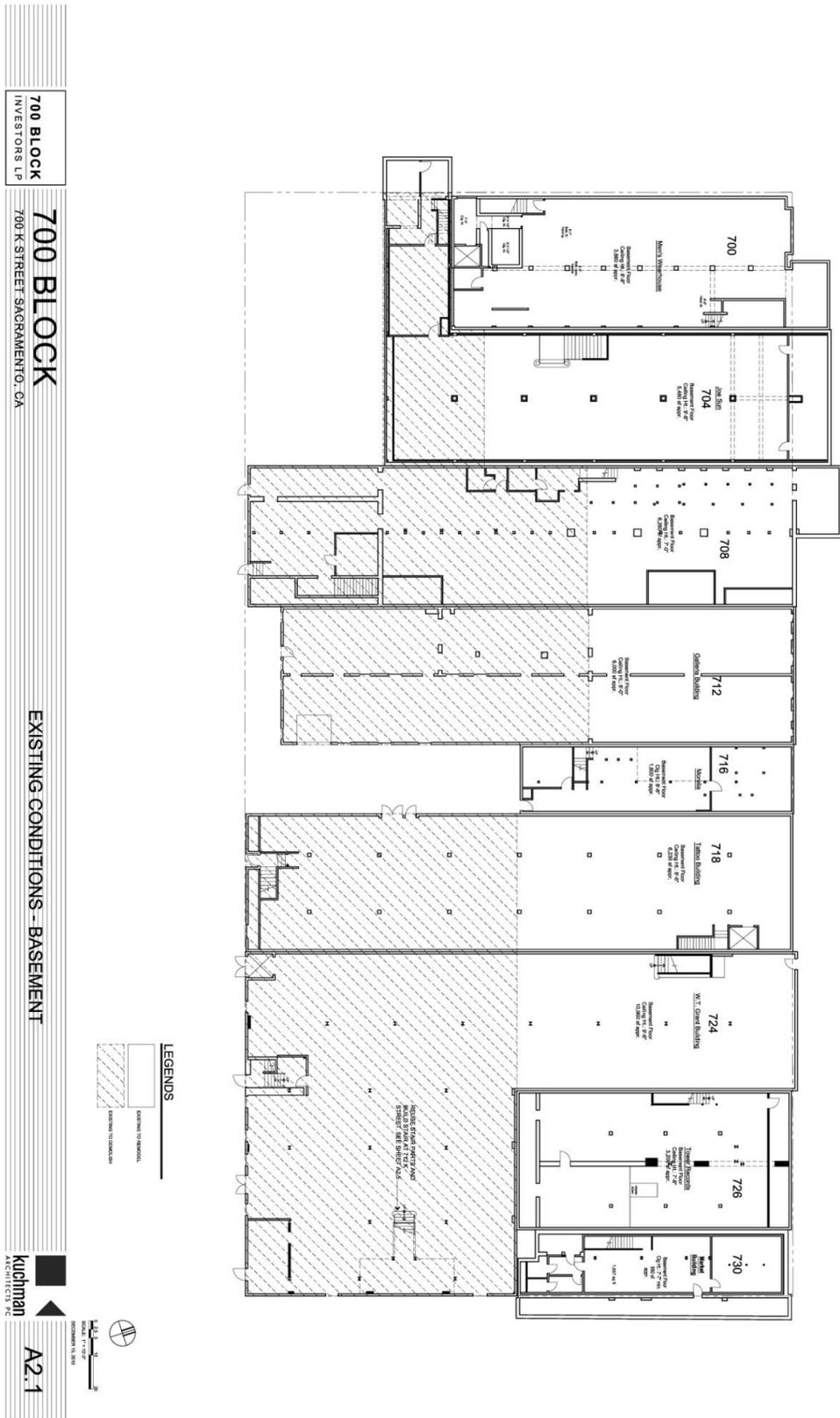


Exhibit 7: Existing Condition – First Floor

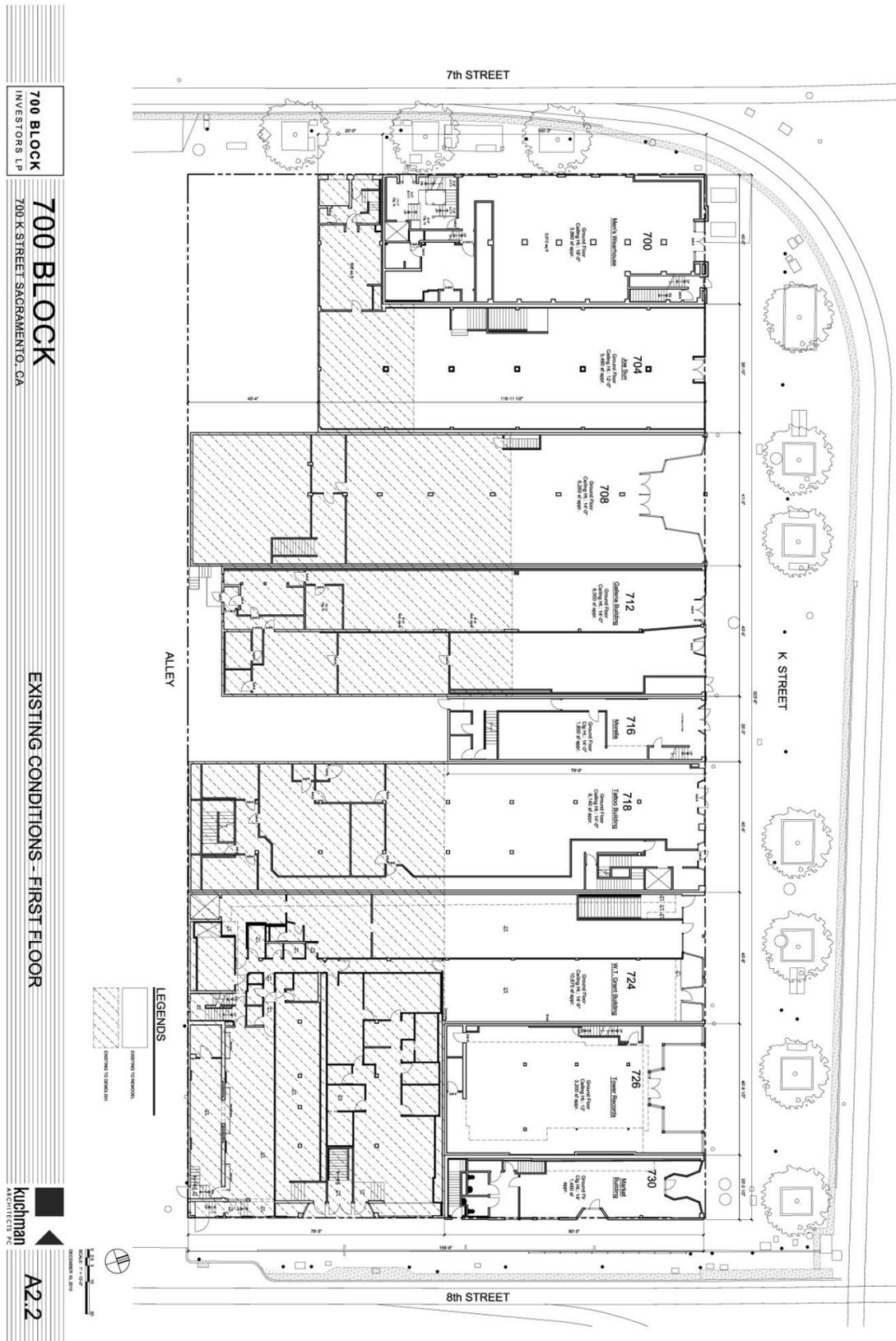




Exhibit 9: Existing Conditions – Third Floor

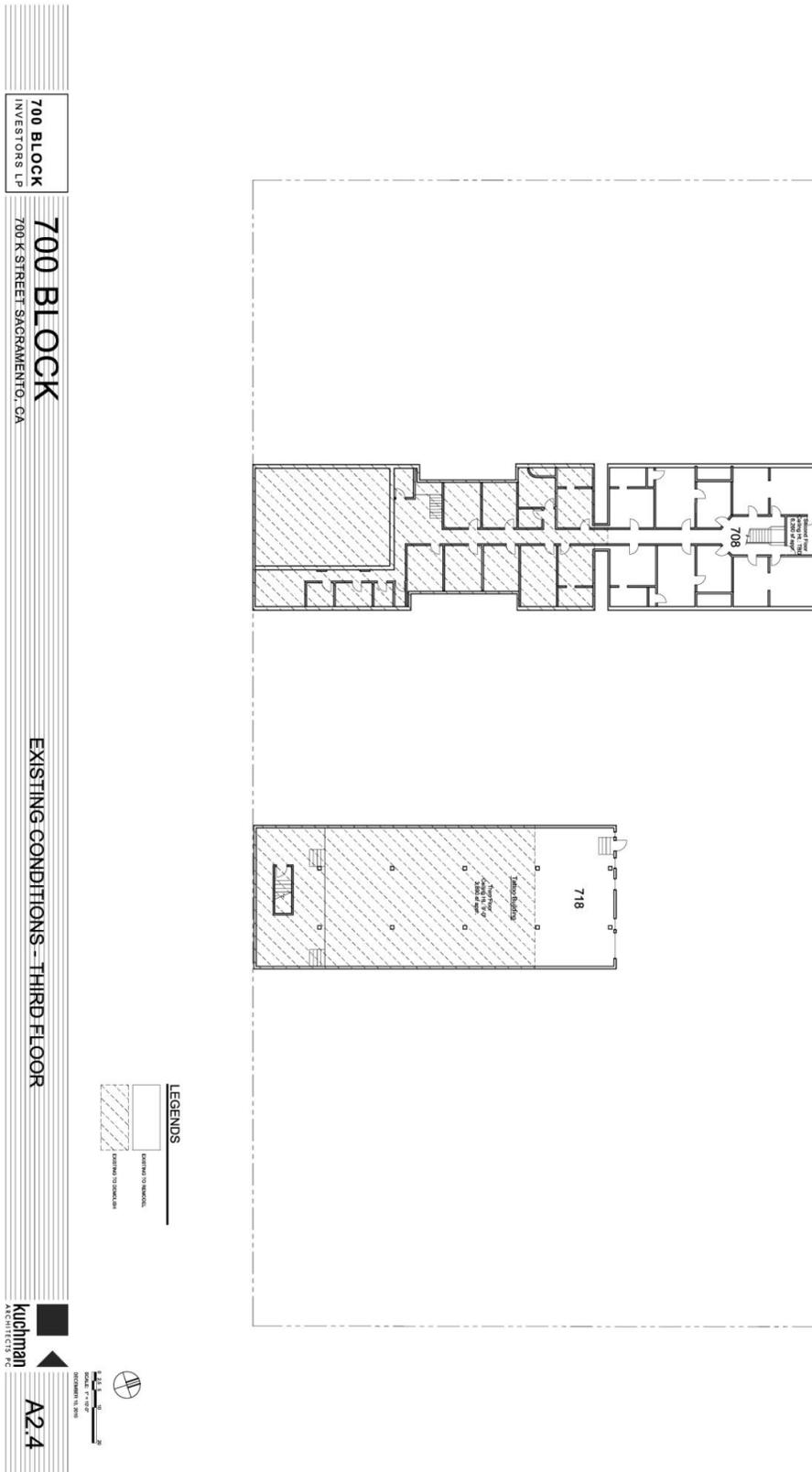




Exhibit 11: First Floor Plan

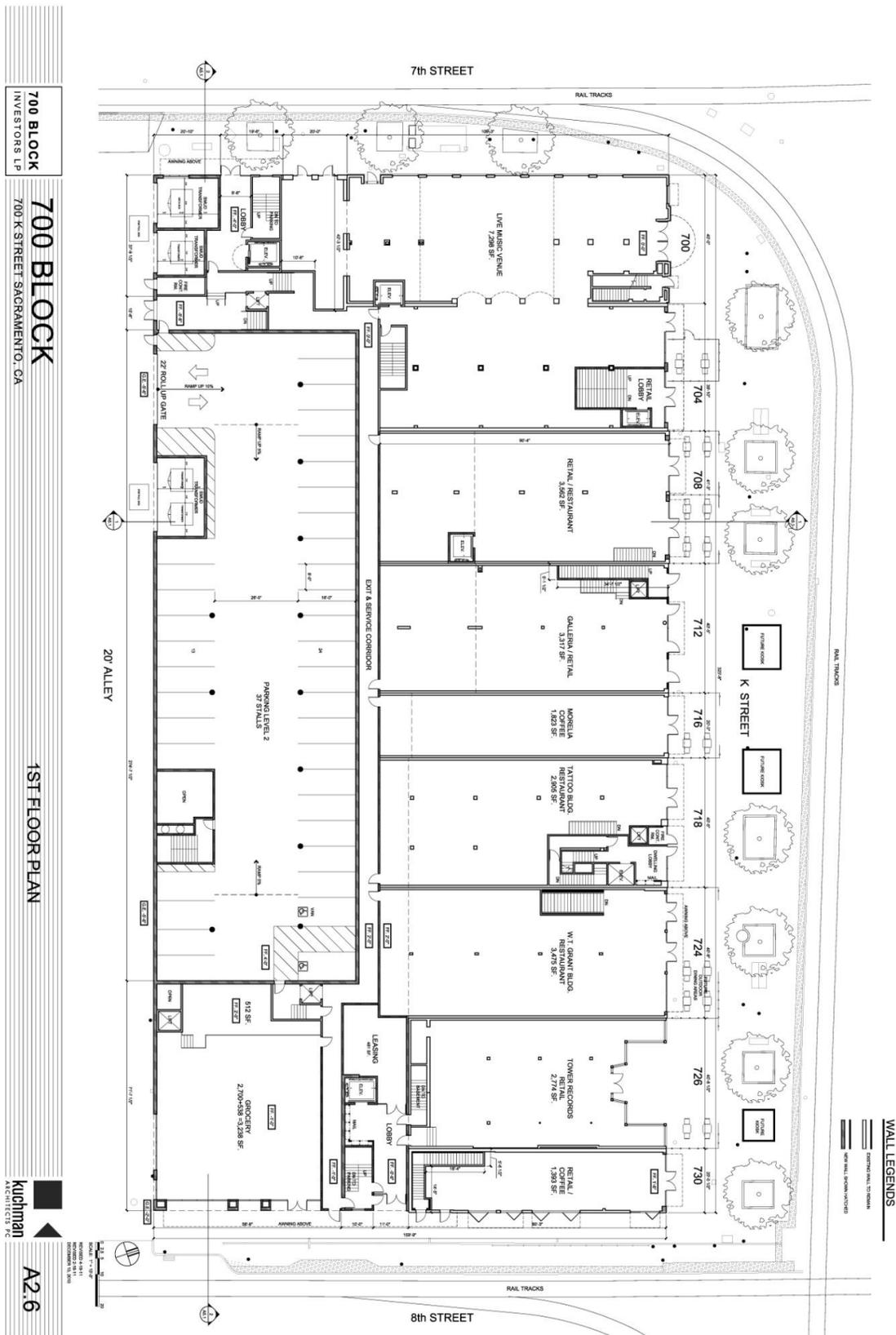


Exhibit 12: Second Floor Plan

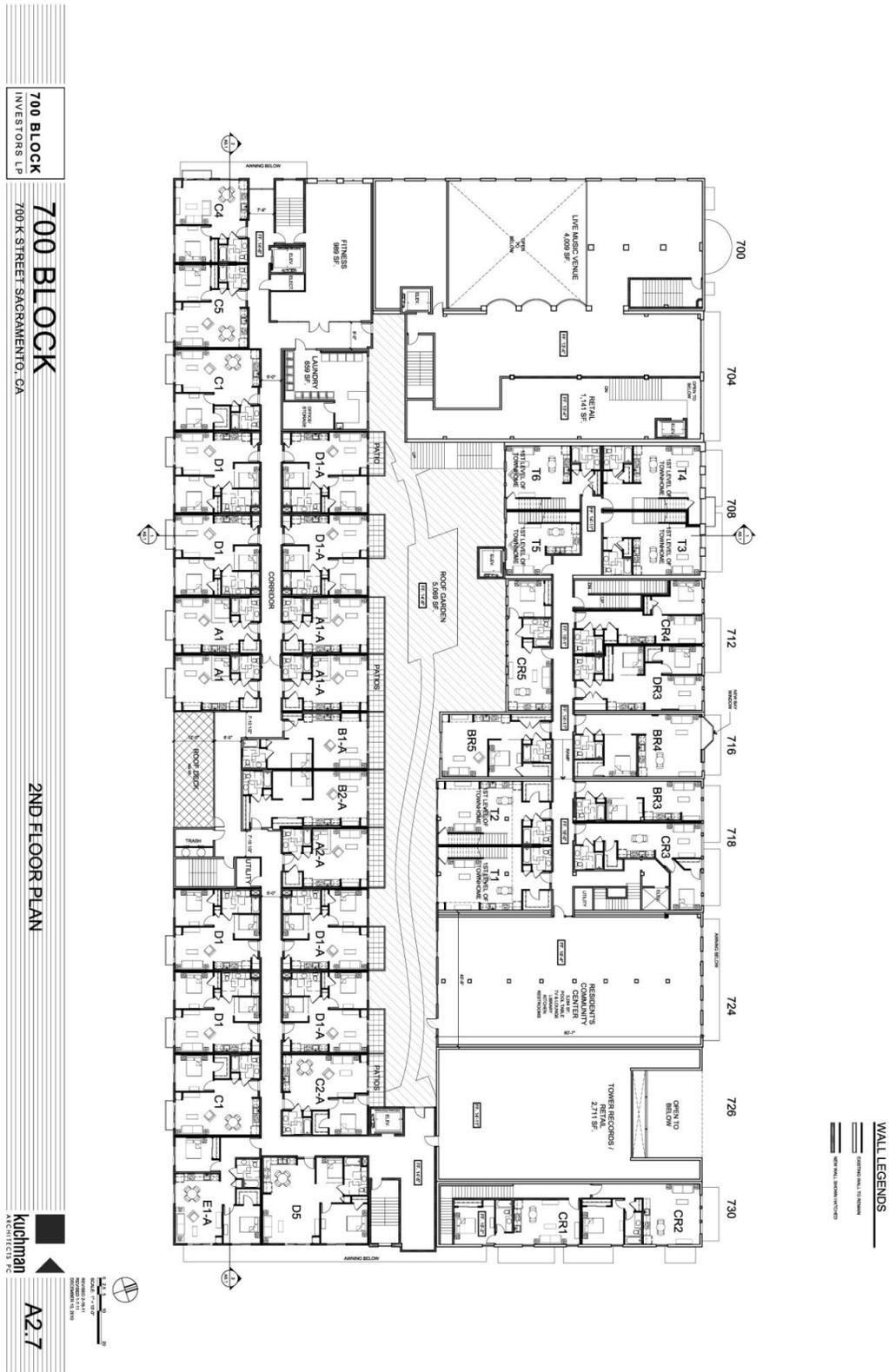


Exhibit 13: Third Floor Plan

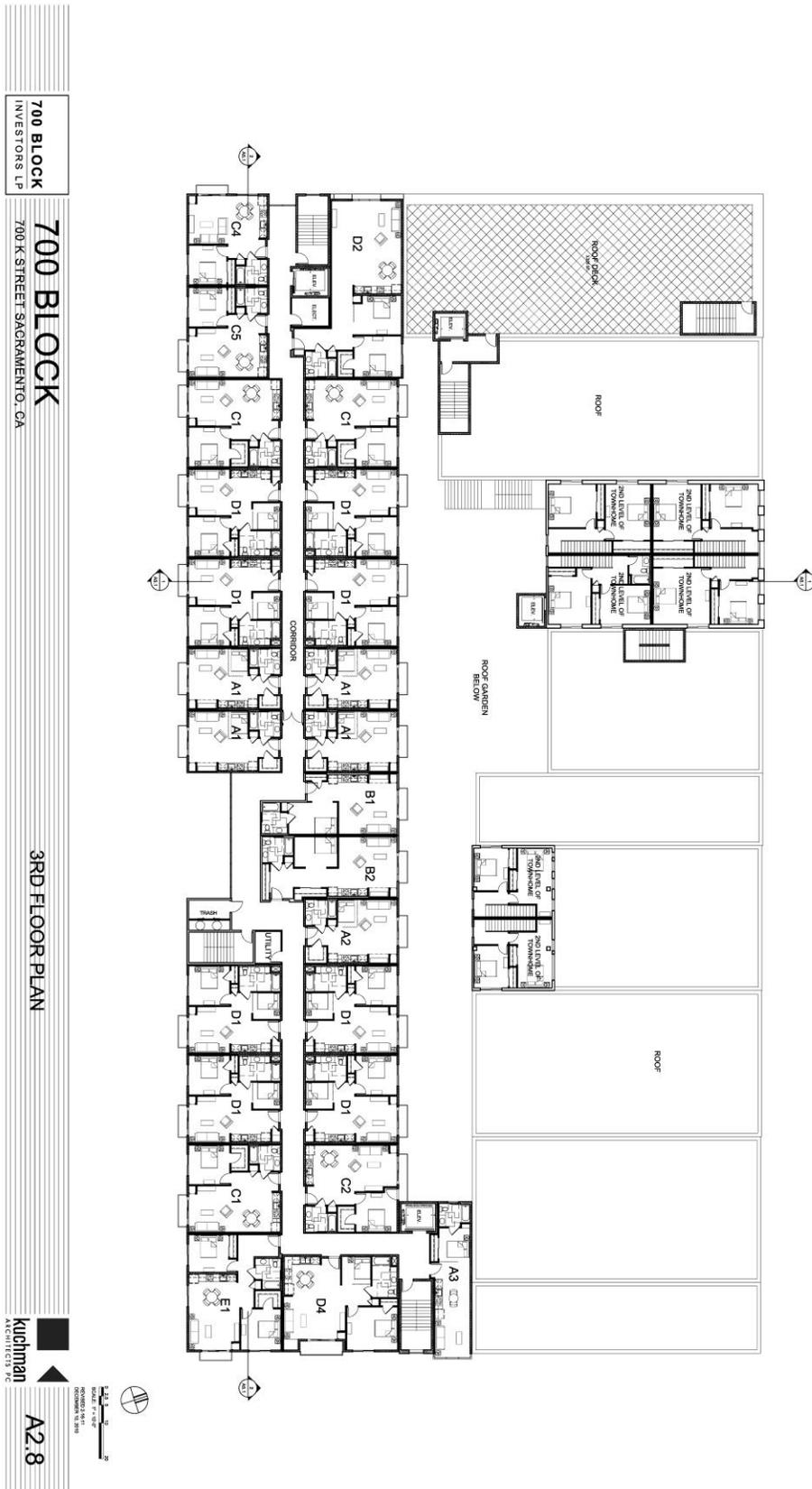


Exhibit 14: Fourth Floor Plan

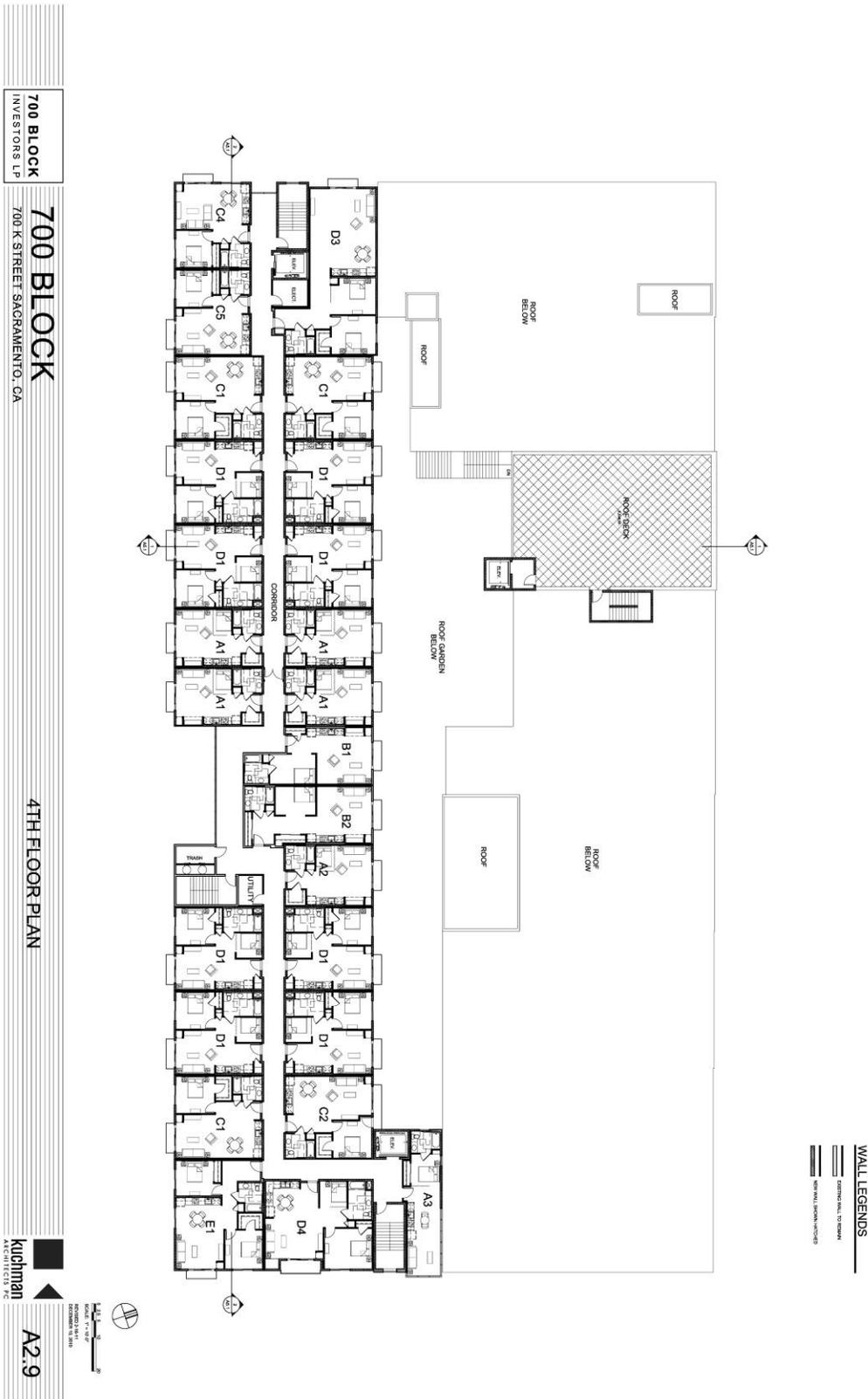


Exhibit 15: Fifth Floor Plan

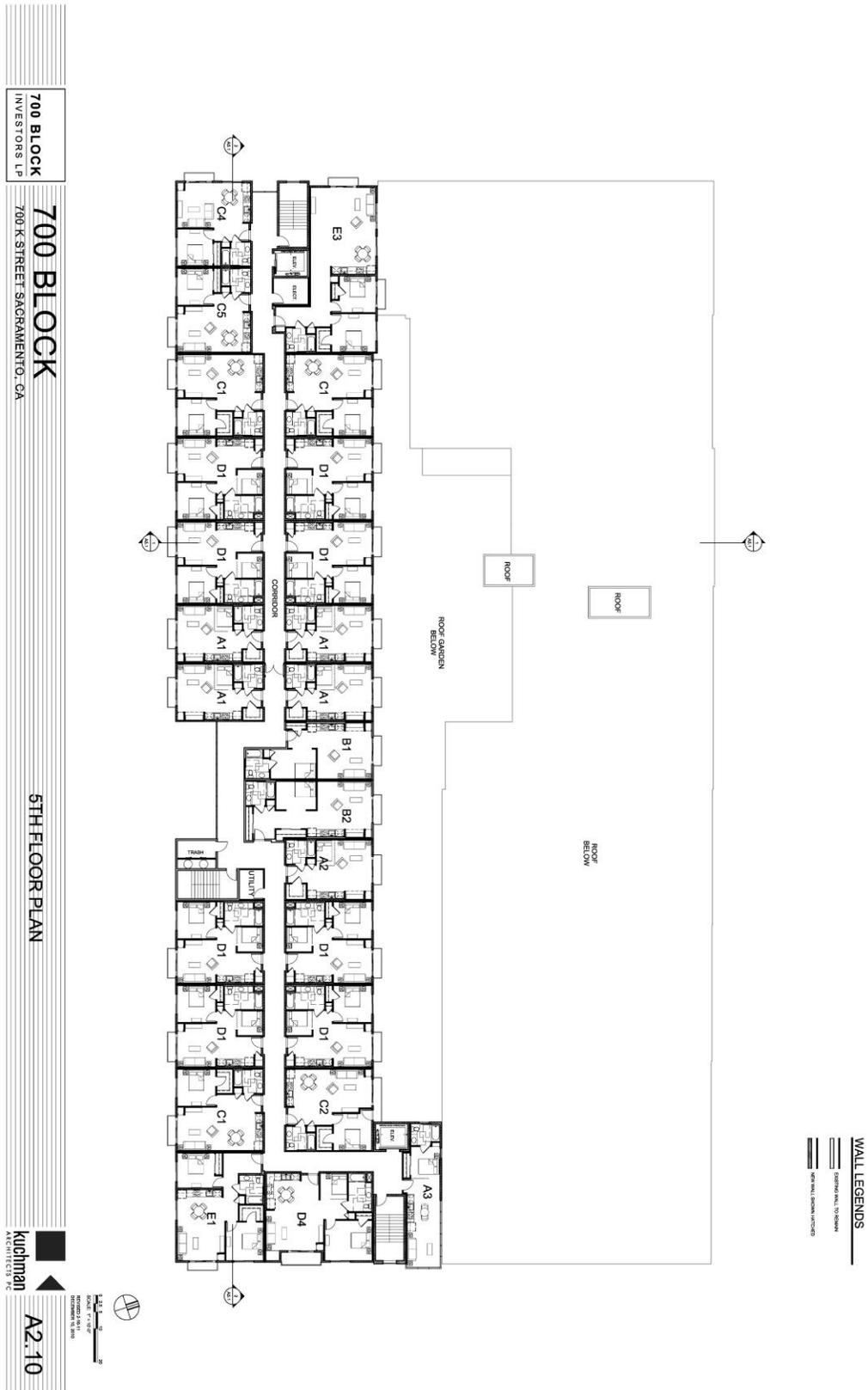


Exhibit 16: Sixth Floor Plan

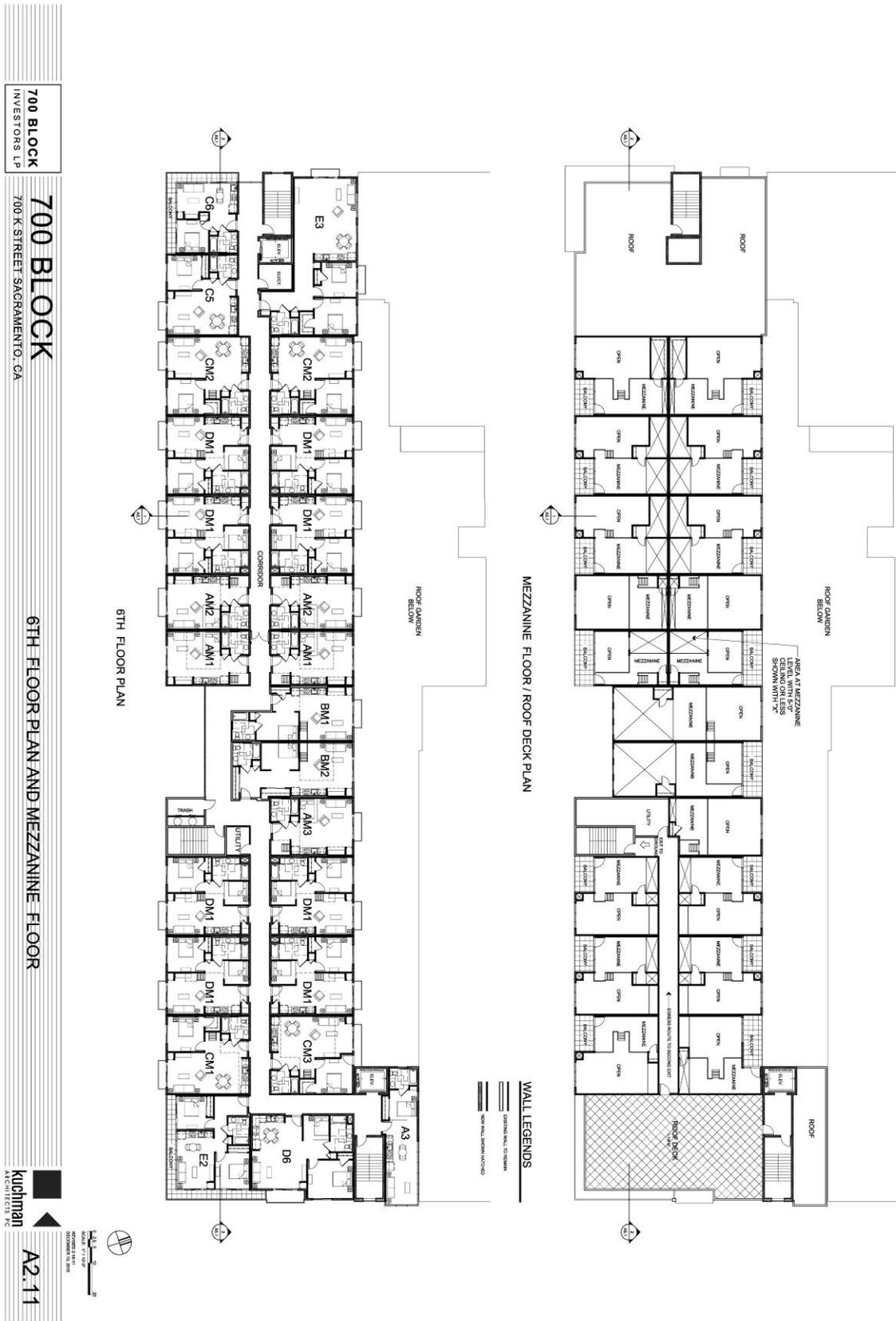


Exhibit 17: Roof Plan

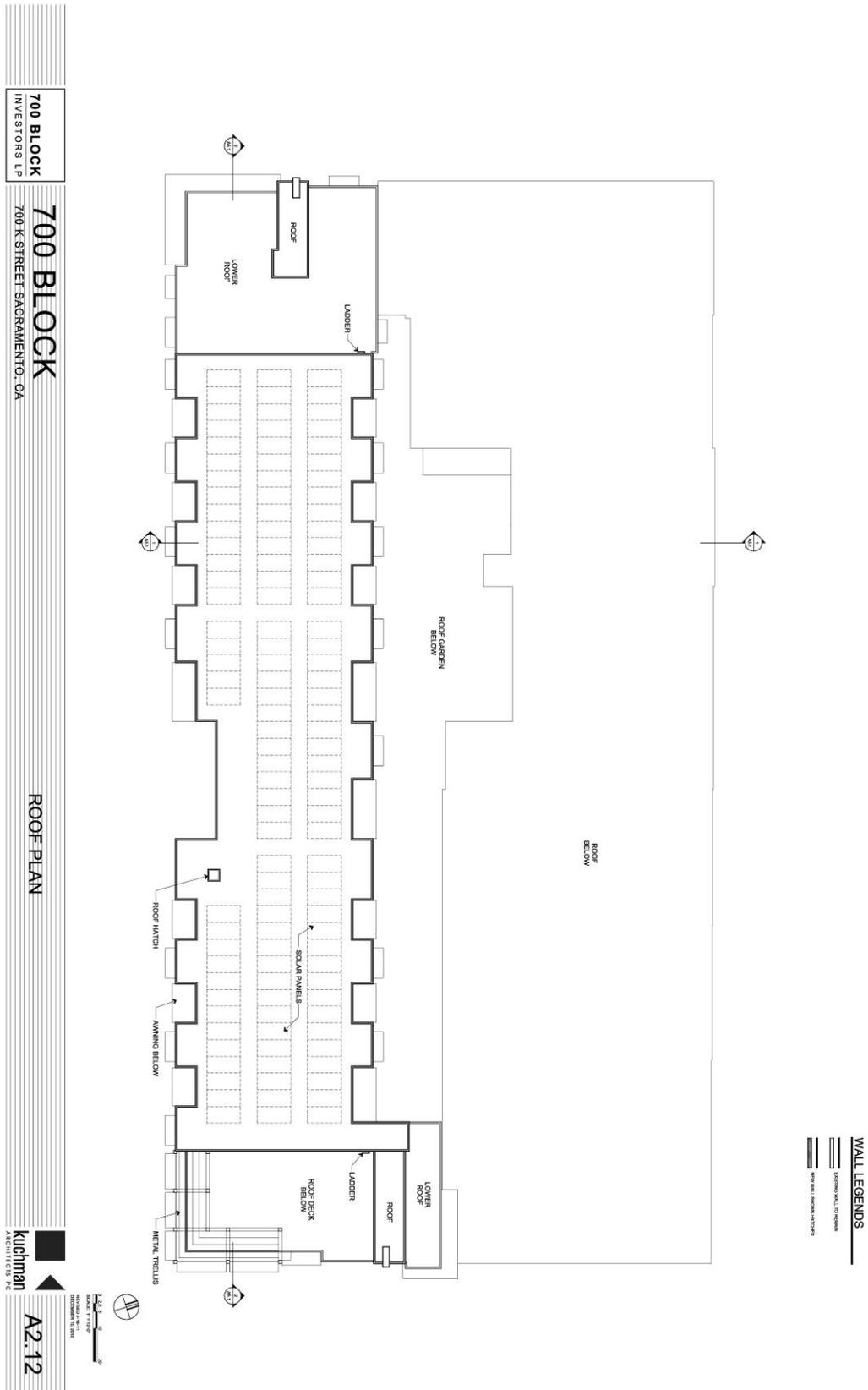
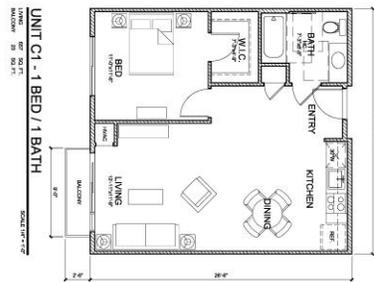
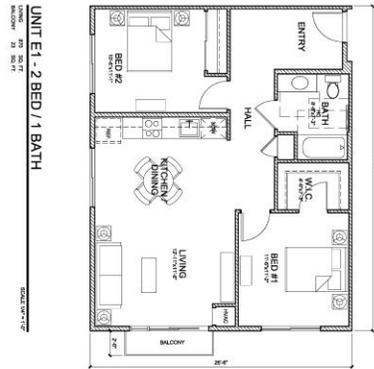
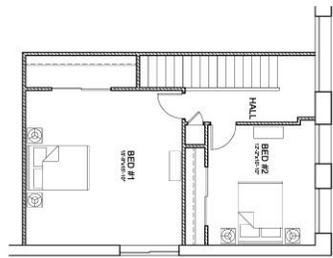


Exhibit 18: Typical Unit Floor Plans

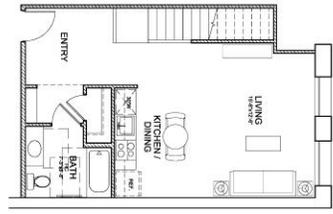
**700 BLOCK**  
 INVESTORS LP  
**700 BLOCK**  
 700 K STREET SACRAMENTO, CA  
 TYPICAL UNIT FLOOR PLANS  
**Kuchman**  
 ARCHITECTS PC  
**A2.13**  
 DECEMBER 15, 2010



**UNIT T3 - 2ND LEVEL  
 TOWNHOME - 2 BED / 1 BATH**  
 BALCONY 3'0" x 4'0"  
 HALLWAY 3'0" x 11'  
 SCALE: 1/8" = 1'-0"



**UNIT T3 - 1ST LEVEL  
 TOWNHOME - 2 BED / 1 BATH**  
 BALCONY 3'0" x 4'0"  
 HALLWAY 3'0" x 11'  
 SCALE: 1/8" = 1'-0"



**UNIT BR1 - 1 DEN / 1 BATH**  
 BALCONY 3'0" x 4'0"  
 HALLWAY 3'0" x 11'  
 SCALE: 1/8" = 1'-0"

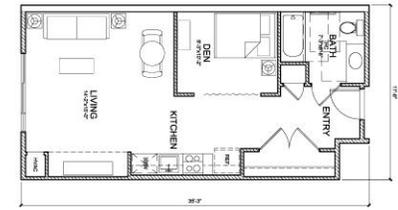


Exhibit 19: South, East and West Elevations

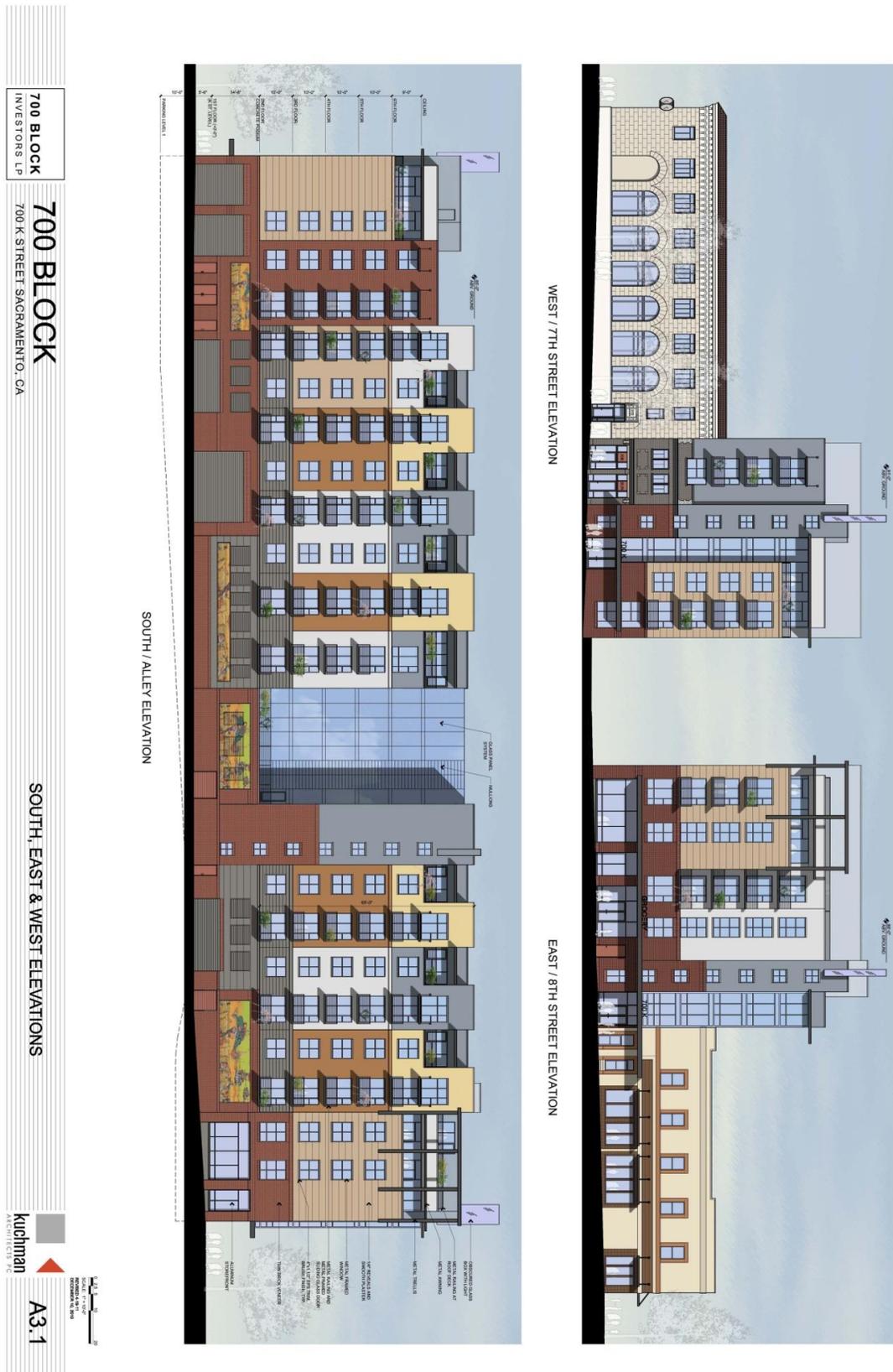


Exhibit 20: North Elevations



Exhibit 21: South / Roof Garden Levels





Exhibit 23: North Elevations

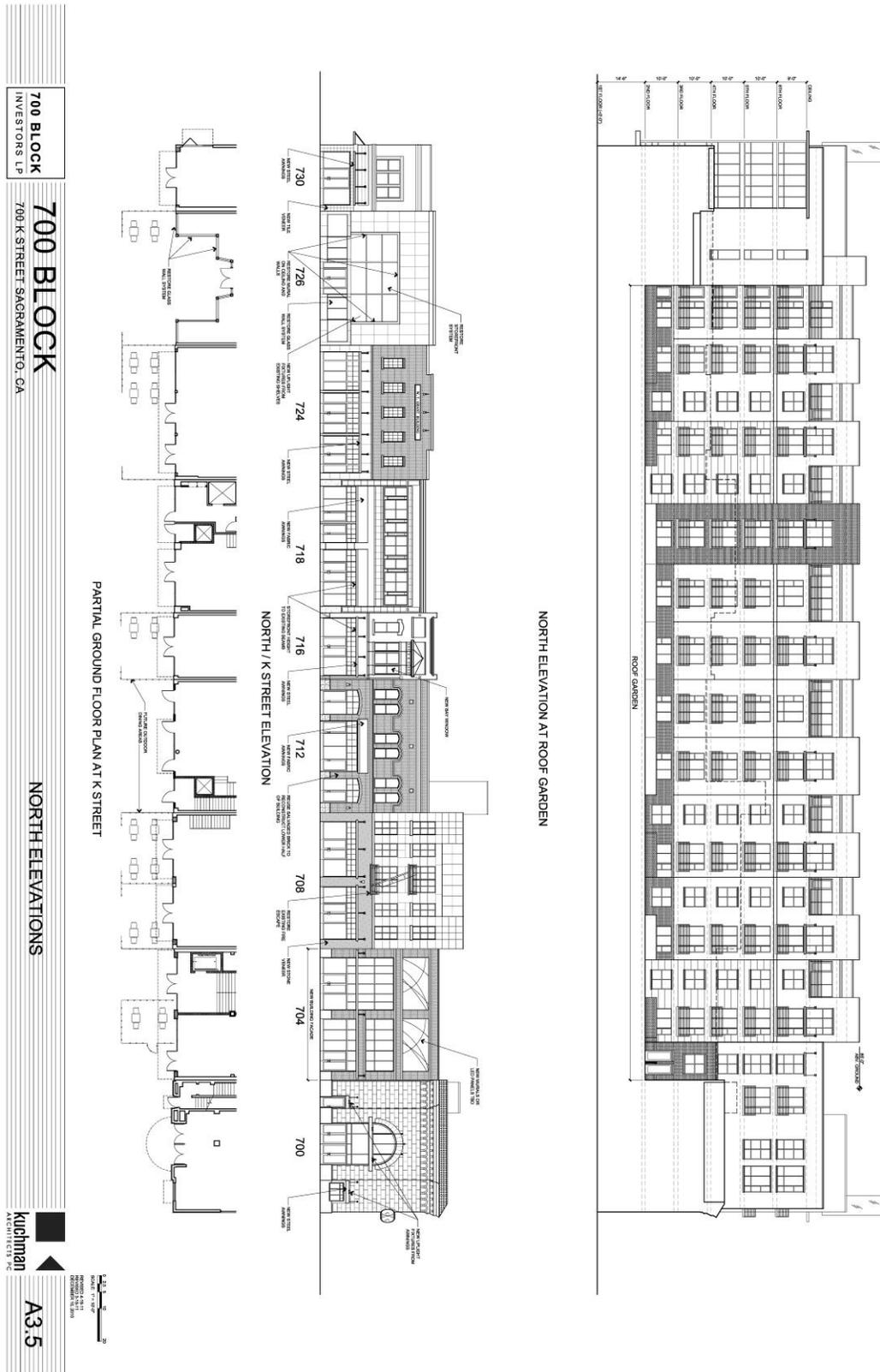














Exhibit 30: 730 K Street

700 BLOCK INVESTORS LP

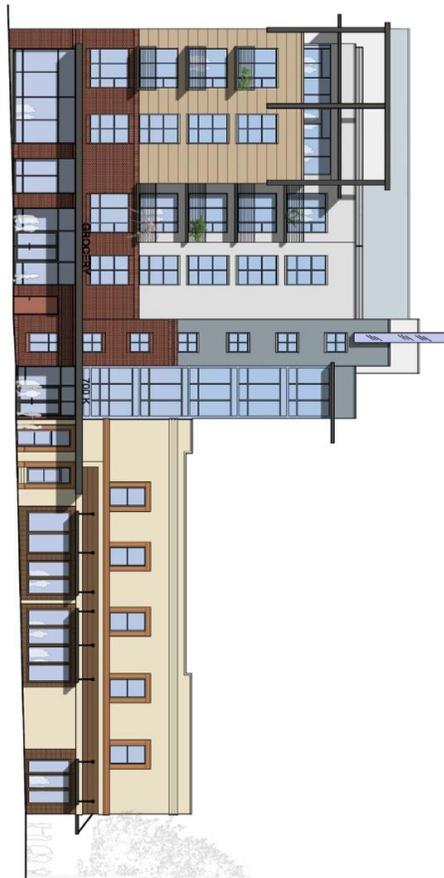
700 BLOCK  
700 K STREET SACRAMENTO, CA

730 K STREET - TEX MEX

Kuchman ARCHITECTS

A4.7

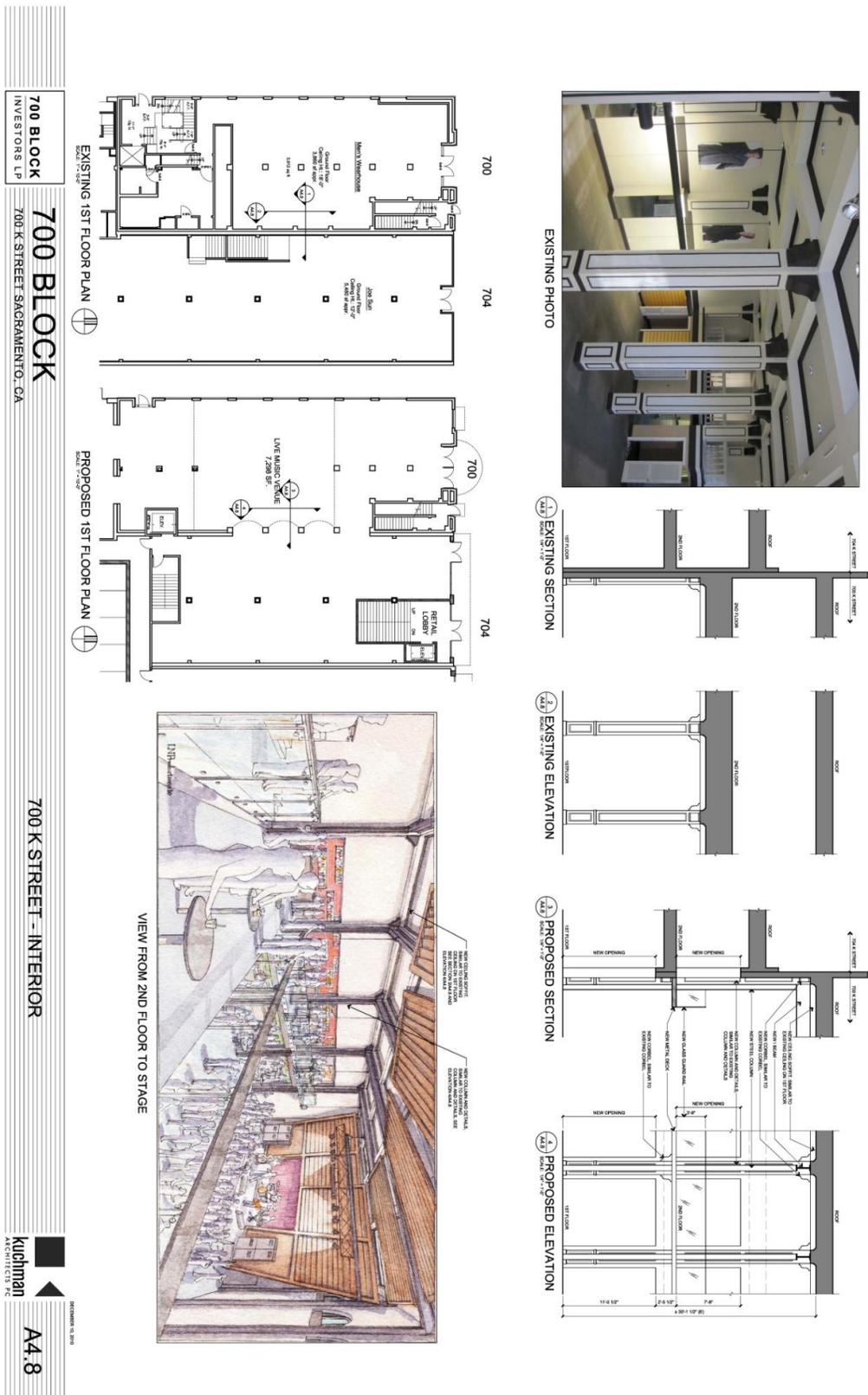
PROPOSED EAST ELEVATION



EXISTING PHOTOS



Exhibit 31: 700 K Street Interior



EXISTING PHOTO

Exhibit 32: Interior Stairs at 700 K Street

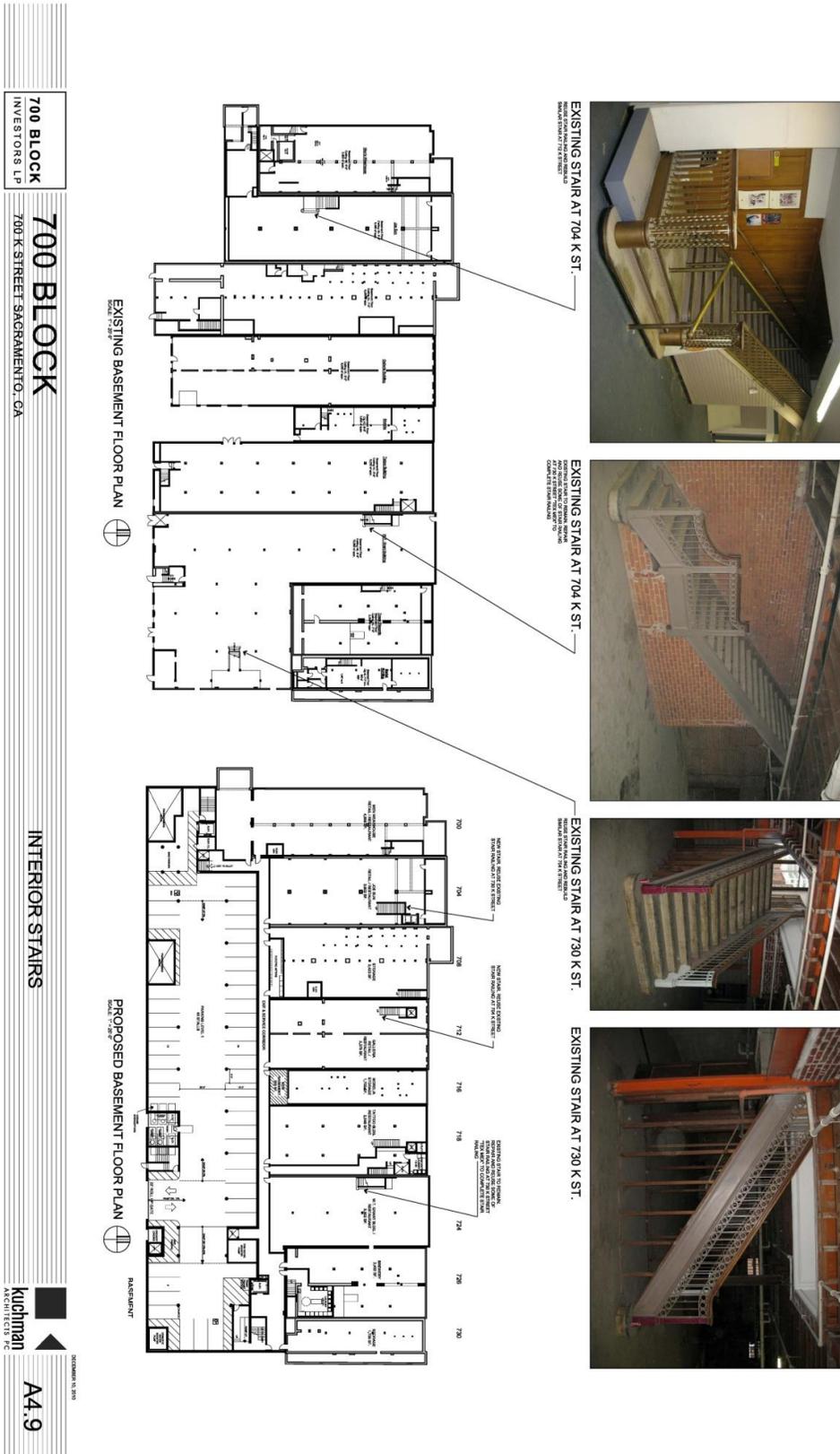
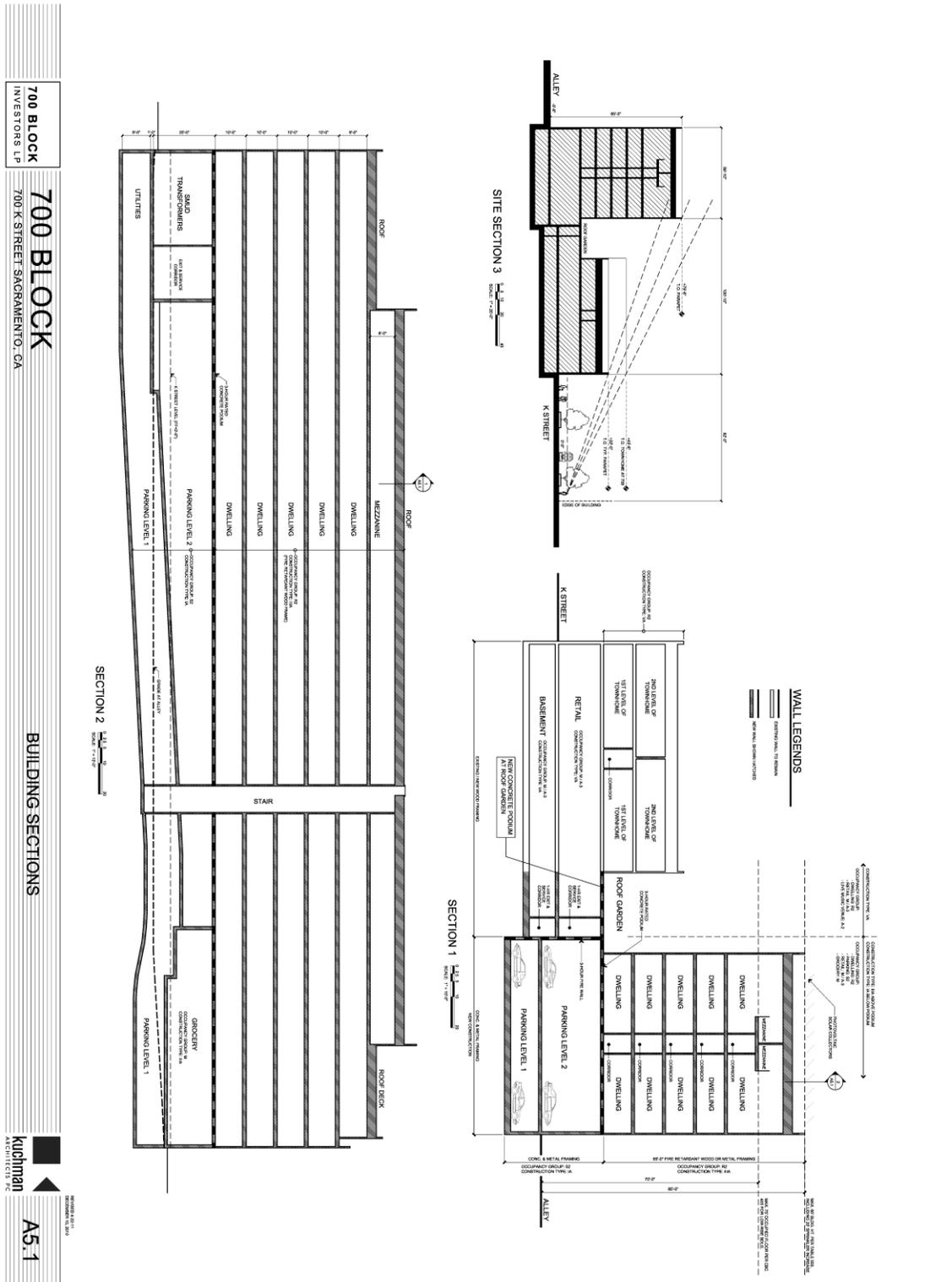


Exhibit 33: Building Section and Line of Sight Drawing



700 BLOCK INVESTORS LP

700 BLOCK 700 K STREET SACRAMENTO, CA

BUILDING SECTIONS

Kuchman ARCHITECTS PC  
A5.1



Attachment 6: Telecommunications Letter

This letter is related to Fire **Condition CD32** of this report.



---

SCOTT C. ANDREWS  
Telecommunications Engineer  
sandrews@cityofsacramento.org

CITY OF SACRAMENTO  
CALIFORNIA  
INFORMATION TECHNOLOGY DEPARTMENT  
TECHNICAL SUPPORT SERVICES DIVISION

1000 I St., Ste. 120  
Sacramento, CA  
95814  
Tel: 916-808-7327  
FAX: 916-808-8516

RE: 700 Block K St. Project / Public Safety Radio Coverage

- On site field meeting held on April 12<sup>th</sup> with Bay Miry (D&S Development representative) to verify public safety radio signal coverage at the project location, specifically the basement and first floor levels.
- As referenced from Sacramento City Fire Code section 15.36.060, the property was investigated utilizing a handheld spectrum analyzer, measuring the control channel signal strength from the nearest Sacramento Regional Radio Communications System (SRRCS) site located at 651 I St. The levels that were found and documented do not meet the current City Fire Code. As such, radio signal enhancement will need to occur for this portion of the Fire Code to be adequately satisfied.
- Additional tests are recommended to further document the current condition as well as help determine the best course of action to correct the issue.
- The City is willing to help facilitate this process as necessary and to help the property owner to ensure compliance.

Attachment 7: Summary of Comments

**700 K Street Project: Review and Comment Hearings**

Comments from the **Preservation Commission** Review and Comment hearing on **January 5, 2011** have been summarized below:

- The building next to the Men's Warehouse is really just "brick wallpaper" and the developer should consider demolishing it. The developer should pay more attention to the alley façade. Should the Greyhound site be redeveloped into a use such as a farmer's market, it would be very visible. (Hope)
- The alley façade is flat and the openings should be recessed. The metal canopies along K Street are very common looking and should be reconsidered. (Mourkas)
- Show what is happening in the alley. We look forward to the evolution of the design but it is a good start. (Blunk)
- Proposal shows a great deal of merit. A survey of the Historic Resources is necessary for further review and comments. This project is moving very fast. Discussion is necessary about the hollow sidewalks and how it will be treated in the basement level. Include the Hollow Sidewalk Survey in the next report. The building next to the Men's Warehouse should be considered for demolition. The rooftop area for the residential units is very irregularly shaped and shadows may make the space too dark. There should be more windows on the alley at the walking level. For future reports, use the original tenants instead of the last tenant that occupied the building. (Turner)
- The alley façade for the pedestrian friendliness needs work. Lighting is very important for the project. Appreciates the use of the basement space, saving the mural, and adding housing in the area. A clearer picture is needed for the alley portion of the project. What is being demolished and what is being saved? (Jacques)

Comments from the **Planning Commission** Review and Comment hearing on **January 13, 2011** have been summarized below:

- Appreciates the mix of uses, and preservation of the existing storefronts. (Bartholomy)
- Exciting project, great treatment for corner of 7<sup>th</sup> and K. (Mendez)
- Very pleased about project. Reasonable approach, look forward to seeing it completed. Housing is critical for success of K Street. (Harvey)
- Thrilled about project. Cautions the success of K Street depends not only on this project but also on Westfield site and the overall interaction of each. (Molander)
- Excellent project. Will act as catalyst and the rest will follow. (Frayne)
- Questions about the mix of uses and possible saturation of retail uses. (Notestine)
- Don't ignore daytime uses. Avoid cannibalizing retail uses from Downtown Plaza. Pay attention to the alley façade and ensure that vehicle headlights and overhead ceiling lights are not visible. (Yee)
- Appreciates green spaces on roof and promoting projects that encourage walking and have gathering spaces. Wants City and responsible agencies to coordinate the amount of good, safe parking in the K Street area to feed activity. (Declines)