



SACRAMENTO'S DESTINATION STOP



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Designed as a regional destination and modern urban transit hub, the Railyards Plan builds on its historic heritage as the western terminus of the 1860s Transcontinental Railroad. The Sacramento Railyards will connect and complement Downtown and the neighboring River District as a vibrant mixed-use community and offering entertainment, retail, housing, office space, theaters, parks, hotels and museums.



RAILYARDS

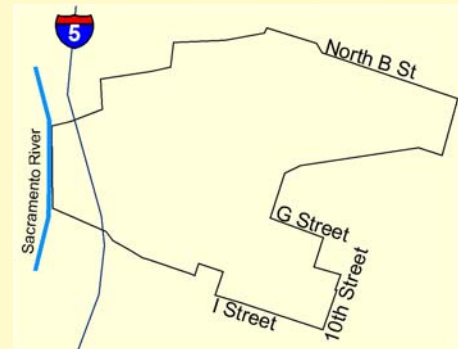




ABOUT RAILYARDS

The Railyards Project Area is located just north of Downtown and south of the River District. It once served as the western terminus of the 1860s Transcontinental Railroad. Today, the Railyards continues to house a major transportation hub and will soon be home to a dynamic mixed-use, transit-oriented development.

The integration of the Railyards area with existing Downtown is a priority of redevelopment. The Railyards Specific Plan (RSP) describes a new vision for a 240-acre portion of the Railyards site, including up to 2.4 million square feet of office uses, 12,000 residential units, 1.9 million square feet of retail, hotel, and other commercial uses, and 29 acres of parks and open space. The RSP would be supported by a \$750 million package of infrastructure and public facility improvements, funded by a combination of private development sources, Federal and State sources, development impact fees, and redevelopment tax increment.



Originally part of the former Richards Boulevard Redevelopment Project Area, the Railyards Project Area was established by the City Council as a separate Redevelopment Project Area in 2008 in order to better facilitate the completion of redevelopment of both the Railyards area and the remaining portions of Richards Boulevard (renamed the River District Project Area in 2008).

In closing, it is important to note that the Agency is currently experiencing unprecedented financial hurdles due to declines in tax increment. The two main factors contributing to the decline are reductions in local property values and the Agency's requirement to pay \$23 million towards the Supplementation Education Revenue Augmentation (SERAF). While these factors may reduce the Agency's financial capacity, it will continue to invest in revitalization activities by prioritizing catalyst projects and maximizing available resources.

Notable Timeframes	What Will be There?
Redevelopment Plan Adopted 2008 Expires 2038	<div style="text-align: center;"> <p>298 Acres</p> <p>PLANNED LAND USE</p> </div>
Implementation Plan 2009-2014	
Housing Compliance Plan 2008-2017 (for affordable housing program planning)	



RECENT SUCCESSES

In the last five years, as part of the Richards Boulevard Redevelopment Project Area, the Redevelopment Agency and City of Sacramento have championed many successful projects and programs in the Railyards area.

- **Thomas Enterprises Project:** Negotiated owner participation agreements, a development agreement and other business terms and entitlements with developer Thomas Enterprises to guide a joint public/private planning & development process to revitalize the Railyards site. The City and Thomas Enterprises have secured over \$100 million in State and Federal funds for the project.
- **Sacramento Intermodal Transportation Facility:** Prepared a concept plan and acquired the Historic Rail Depot for expansion of the regional transportation hub in the Railyards serving all transit modes, including passenger rail, light rail, and regional and local bus services. The City has secured over \$50M in State and Federal funds for the design and construction of the facility.
- **Historic Rail Depot:** Completed a structural and seismic study of the Historic Southern Pacific Depot. The Agency and City funded a \$1 million roof replacement and seismic retrofit of the Historic Southern Pacific Rail Depot.
- **REA Building:** Completed a structural and seismic study of the Railway Express Agency (REA) Building with a recommended preservation strategy. Provided assistance to the developers of the Historic REA Building, resulting in its renovation and adaptive re-use into a mix of retail and office uses.
- **Infrastructure Projects:** Created critical access to Downtown with the opening of 7th Street Extension Project in 2004.
- **Sacramento Riverfront Master Plan:** Participated in the master planning process for the Sacramento Riverfront.



REDEVELOPMENT PLAN GOALS

The Railyards Redevelopment Plan was adopted in 2008 to reverse blight and improve economic and environmental conditions in the area. The Plan's goals are identified as:

- A. **Rehabilitate, Remediate and Improve:** Eliminate blighting influences and correct environmental deficiencies in the Project Area, including, among others, buildings in which it is unsafe or unhealthy for persons to live or work, conditions that substantially hinder the viable use and capacity of buildings and lots, impaired investments, and high business vacancies, including the implementation of environmental remediation and management programs.
- B. **Stimulate Economic Growth:** Strengthen the economic and employment base of the Project Area and the community by removing impediments to and encouraging new residential and commercial development and other private investment.
- C. **Guide Development:** Implement design and use standards to assure high aesthetic and environmental quality and provide unity and integrity to developments within the Project Area, preserving historic resources where feasible and promoting public transit access and use. Participate in Planning efforts to ensure efficient and coordinated development.
- D. **Work Together:** Encourage the cooperation and participation of private development partners, residents, businesses, public agencies and community organizations in the redevelopment and revitalization of the Railyards Area.
- E. **Eliminate Infrastructural Deficiencies:** Improve public facilities and infrastructure, including providing adequate utility capacity and access to the site and infrastructure that meets modern health and safety standards, provide adequate land for parks and open spaces, provide other public facilities, and promote an overall environment for social and economic growth.
- F. **Provide Housing for All Families:** Increase the community's supply of housing available to extremely low, very low, low and moderate income persons and families and housing for all income levels in proximity to the Central City employment center.



REDEVELOPMENT STRATEGY

The Railyards Redevelopment Project Area redevelopment strategy utilizes several tools to guide the creation of a cohesive business, entertainment, retail and residential center. Major elements include commercial and residential development with an emphasis on transit and pedestrian-oriented development, adequate infrastructure, beautification, historic preservation and greater engagement with the Sacramento River.

- A. Economic Development:** Work cooperatively with private and public property owners, businesses and residents to support and manage programs which improve the safety, cleanliness and image of the area, advocate and plan for redevelopment area improvements; and encourage increased investment in the area.
- B. Housing Program Strategy:** Take advantage of the area's proximity to Downtown by providing housing for all income levels and encourage a vibrant live-work environment.
- C. Transportation and Infrastructure Enhancements:** Facilitate the construction of a number of crucial infrastructure projects, including construction of the Sacramento Intermodal Transportation Facility regional hub, adequate utilities to serve new development, and development and implementation of infrastructure systems, including providing stronger roadway and pedestrian links with the neighboring Downtown and River District.
- D. Build a Sense of Place:** Take active steps to improve the image of the area by cleaning and rehabilitating blighted properties, providing additional streetscape, open space and landscape improvements, and installing appropriate signage throughout the district.
- E. Reuse and Interpretation of Historic Elements:** Preserve the unique historical properties that give the area its character, such as the Historic Southern Pacific Central Shop buildings and the historic Rail Depot.
- F. Connect to the River and Foster Open Space Opportunities:** Work with other public agencies and private development interests to create linkages and access to the Sacramento River and improve and provide public open space, landscaping, and parks and recreational facilities.



PROPOSED REDEVELOPMENT PROGRAM – 2009 THROUGH 2014

Over the next five years, the Agency will implement the Railyards redevelopment strategy by undertaking the following projects and programs:

Project/Description	Estimated Redevelopment Investment ¹	Goals Achieved	Strategies Achieved
<p>First Phase Infrastructure Investment Construct major roadways and pedestrian walkways, including grade-separated crossings of the realigned rail tracks; wet utilities including domestic water and sanitary sewer improvements to support flows into the historic combined sewer system in the Downtown Sacramento area; dry utilities, including electricity, gas and telecommunications improvements; and separate storm drainage facilities.</p> <p>The majority of the Railyards project area has inadequate or no infrastructure available to support the land uses proposed for the project area. The improvements listed above to be developed in partnership with the private sector are necessary to remove a major barrier that impairs private investment for the economically feasible re-use of the first phases of the redevelopment project area.</p> <p><i>Anticipated Completion..... 2012</i></p>	\$20,000,000	B. C. E.	C.



Project/Description	Estimated Redevelopment Investment ¹	Goals Achieved	Strategies Achieved
<p>Public Parking Facilities Construct public parking facilities, both surface and structured, to support the dense mix of private and public land uses planned for the first phases of the project area. This will also include the necessary pedestrian and vehicle access facilities and possibly some integrated private or public land uses, such as retail, in addition to the parking facilities. Development of the 5th and 6th Street Public Parking Garage, just north of the relocated rail tracks, is a major goal in the first phases of the project. Assistance with pre-development project analysis and possible matching funds for other sources are anticipated for this garage.</p> <p>The development of public parking facilities will help stimulate private investment and support other public investments within the first phases of development in the redevelopment project area</p> <p><i>Anticipated completion.....2014</i></p>	<p>Total cost of Agency participation has not yet been determined; the City has committed to annual debt service of no less than \$2,000,000 from the Citywide parking fund</p>	<p>B. C. E.</p>	<p>A. C.</p>



Project/Description	Estimated Redevelopment Investment ¹	Goals Achieved	Strategies Achieved
<p>Restoration and Adaptive Re-use of Historic Buildings A number of privately owned and publicly-owned historic buildings need extensive renovation, including seismic strengthening and structural reinforcement of masonry structures, replaced or repaired roof systems, window and door replacement, modern mechanical systems and utilities, interior and exterior improvements and repairs and tenant improvements to be preserved and adapted for new uses.</p> <p>These historic buildings are part of the unique historic character of the Railyards Project Area and after restoration and renovation are anticipated to draw tenants and visitors to the area and serve the travelling public. In addition the unique character of the district is anticipated to stimulate other private investment in proximity to the historic buildings that will further contribute to the economic re-use of properties in the project area. Agency participation will be required to make re-use of these important buildings safe and financially feasible.</p> <p><i>Estimated completion2014</i></p>	<p>Level of public investment yet to be determined</p>	<p>A. B. C.</p>	<p>A. D. E.</p>
<p>Public Open Space Areas and Pathways The project area is envisioned as a dense, pedestrian-oriented urban environment that will require attractive public open spaces to provide relief from the built environment. In addition the mix of uses and multiple districts and facilities planned for the area will require attractive, safe and well-lit pedestrian improvements and walkways to link them. Access across the relocated rail tracks, access to the waterfront district and proposed parks and other planned amenities, the expanded Intermodal Transportation Facility and the new transit stations and access to public parking facilities are all priorities to catalyze the redevelopment of the district. These amenities and facilities will attract private investment on adjacent properties, and address factors hindering economically viable use.</p> <p><i>Estimated completion.....2014</i></p>	<p>The City will invest at least \$600,000; Agency investment is estimated at \$2,000,000</p>	<p>A. B. C. E.</p>	<p>F.</p>



Project/Description	Estimated Redevelopment Investment ¹	Goals Achieved	Strategies Achieved
<p>Sacramento Intermodal Transportation Facility Assist in pre-development and business attraction activities for this important facility that will serve as a major destination, transportation hub, and anchor to the southern portion of the project area. This facility is one of the cornerstones of the transit-oriented land uses envisioned for the project area. The project is anticipated to serve as a major catalyst for surrounding private development and attraction of employers, as well as generating substantial employment at full build-out in its own right. This will contribute to the economically viable re-use of this portion of the project area.</p> <p><i>Estimated Completion2012</i></p>	<p>\$1,000,000</p>	<p>B. D. E.</p>	<p>C. E.</p>
<p>Railyards Housing Development Assist with the development of market rate and affordable housing in the first phases of the Railyards development project. Residential uses are proposed on the upper stories of mixed-use buildings contributing to housing for a range of income levels in the project area.</p> <p><i>Anticipated completion2013</i></p>	<p>The level of public participation in individual projects has not yet been determined but will include the use of 20 % set aside funds and possibly City housing trust funds</p>	<p>B. F.</p>	<p>B.</p>
<p>Small Business Assistance Assist with capital costs of small businesses looking to locate in the Project area. Assistance could include building renovations, tenant improvements and other capital costs. This assistance can help eliminate factors that hinder the economically viable use of project area properties.</p> <p><i>First phase anticipated completion.....2014</i></p>	<p>Investment in individual projects has not yet been determined</p>	<p>B. D.</p>	<p>A.</p>



Project/Description	Estimated Redevelopment Investment ¹	Goals Achieved	Strategies Achieved
<p>Planning and Pre-development Studies Various land use, pre-development, and project feasibility studies will be carried out to support public and private development projects in the project area. While the general land uses and infrastructure for the project area have been identified more area and project-specific analysis will be required to support the implementation of specific projects or adjustments in the overall proposed land use or infrastructure configuration. These studies will help analyze and/or recommend modifications to projects or programs to increase the economic viability or appropriateness of the proposed project or program.</p> <p><i>First phase anticipated completion..... 2012</i></p>	\$400,000	B. C. D.	A.
<p>Total Estimated Redevelopment Investment</p>	<p>To be determined; \$24,000,000 pledged</p>		

¹ Public funding for projects will consist of an assortment of redevelopment funds (in addition to tax increment funds), Federal and State grants, and area-wide impact fees, to complement private developer direct investments.



PROPOSED AFFORDABLE HOUSING PROGRAM – 2009 THROUGH 2014

Over the next five years, the Agency will implement the residential component of the Railyards redevelopment strategy by undertaking the following projects and programs:

Project/Description	Estimated Redevelopment Investment	Goals Achieved
<p>Railyards Affordable Housing Development The Agency has negotiated with Thomas Enterprises to make 15% of new housing units affordable to very low and low income families, or approximately 109 units by 2013 and 1,524 by the expiration of the redevelopment plan.</p> <p><i>Anticipated Completion of Phase I Housing..... 2013</i></p>	<p>Public investment has not been determined, but will include use of 20 percent set-aside funds and likely City Housing Trust Funds and State and Federal Resources will be also be sought.</p>	<p>F.</p>
<p>Total Estimated Redevelopment Investment</p>	<p>To be determined</p>	



HOUSING PROGRAM COMPLIANCE OBJECTIVES

For more than 60 years, the Redevelopment Agency has played a key role in providing housing assistance to individuals and families of modest financial means ensuring that they have a safe, clean and affordable place to live and are able to participate in a dynamic economy. As required by the California Community Redevelopment Law (Health and Safety Code Section 33000 *et seq.*, "CRL"), this section of the Implementation Plan identifies the Agency's housing assistance strategy including prior affordable housing activities, future anticipated housing need, and planned housing projects and programs. The CRL's requirements are explained below, as well as the Agency's past accomplishments and housing production requirements, and its future housing requirements.

In addition to the plans, activities, and projects just described in the redevelopment program, the facilitation and financing of affordable housing is an important and mandatory function of redevelopment. As tax increment revenues are generated in redevelopment project areas, 20 percent of the gross revenue stream is immediately set aside and placed in the Low and Moderate Income Housing Fund. Those funds, pooled with other federal and state resources and tax credits, provide an important financing tool to assist in the development of income-restricted, affordable housing projects.

In 2004, the Agency received the authority to expend Project Area housing set-aside funds either inside or outside the Project Area and to aggregate housing production activities and expenditure requirements among all of the Project Areas. The Agency approaches housing compliance from a citywide perspective to more effectively meet housing program objectives for the Agency and this Project Area in particular.

This section of the Implementation Plan, along with the Housing Compliance Plan for the City, addresses specific requirements in state law with respect to prior affordable housing activities and the anticipated housing program over a 10-year period, beginning in 2005. Redevelopment housing requirements generally fall into three categories: *Housing Production*, *Replacement Housing*, and *Expenditures by Household Type*. While *Housing Production* and *Replacement Housing* are reflected within this Implementation Plan, the *Expenditures by Household Type* is reflected in the Housing Compliance Plan for the City, which provides a comprehensive report reflecting the City's affordable housing compliance.

Housing Production

To estimate the number of housing units that need to be affordable to low- and moderate-income households, the Agency estimated the total number units to be constructed or substantially rehabilitated in the Project Area and applied formulas established in the CRL.

The following chart summarizes the production goals over various time periods as required by the CRL. The number of affordable units required is based on statutory thresholds, and the Agency is responsible for ensuring that the appropriate number of affordable units is created during a 10-year period.



Actual and Projected Housing Production Needs by Time Period			
Time Period	Actual/Assumed Housing Units Constructed and Substantially Rehabilitated in Project Area	Required Affordable Units /1	
		Total	Very Low
10 Year Compliance Period	726	109	44
<i>Actual (2008 to 2009)</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>Projected (2010 to 2014)</i>	<i>726</i>	<i>109</i>	<i>44</i>
Future Forecast (2015 to 2038)	9,434	1,415	566
Redevelopment Plan Duration (2008 to 2038)	10,160	1,524	610
Notes:			
1/ Based on 15 percent of actual/assumed units developed by entities other than Agency. (No units developed by Agency.) All figures rounded up.			

As shown in the preceding table, the Agency anticipates a need for 109 affordable units (including 44 very low income units) to fulfill its production goals for the 10-year period, and 1,524 affordable units (including 610 very low income units) over the duration of the Redevelopment Plan. Fulfillment of these production goals is shown on the following table.



Fulfillment of Affordable Housing Production Requirements by Time Period								
Time Period	Units Required (see previous table)		Units Produced		Additional Units Required		Net Surplus Units Produced	
	Total	VL	Total	VL	Total	VL	Total	VL
10 Year Compliance Period	109	44	0	0	109	44	0	0
Actual (2008 to 2009)	0	0			0	0	0	0
<i>Inside Project Area</i>			0	0				
<i>Outside Project Area /2</i>			0	0				
Projected (2010 to 2014)	109	44			109	44	0	0
<i>Inside Project Area</i>			0	0				
<i>Outside Project Area /2</i>			0	0				
Future Forecast (2018 to 2038)	1,415	566	0	0	1,415	566	0	0
Redevelopment Plan Duration (2008 to 2038)	1,524	610	0	0	1,524	610	0	0

As shown in the preceding table, the Project Area has a 109-unit affordable housing production need for the 10-year planning period. The City of Sacramento requires that 15% of all units built in the project area be affordable to very low and low income families, thereby achieving these housing production goals.

Replacement Housing

During the implementation plan period, the Agency does not anticipate that any Agency-assisted projects will result in the displacement or removal of housing units. Consequently, the Agency does not anticipate that any housing will need to be replaced at this time.



Expenditures by Household Types

As reflected in the Housing Compliance Plan of the City, the Agency aggregates Project Area housing set-aside in order to more effectively meet housing program objectives. As a result, the *Expenditures by Household Types* can be found in the Housing Compliance Plan of the City.