INTRODUCTION .......................................................................................................................4-1
OVERALL GOALS .....................................................................................................................4-1
EXISTING CONDITIONS ........................................................................................................4-1
CENTRAL CITY BUILDOUT POTENTIAL .................................................................................4-2
PLANNED COMMERCE AND INDUSTRY DEVELOPMENT ..................................................4-10
Mixed Use Development .....................................................................................................4-10
Commerce And Industry Land Use Designations ..................................................................4-10
Commerce/Neighborhood Commercial And Office ..............................................................4-10
Regional Commercial And Office .......................................................................................4-10
Public Office .........................................................................................................................4-10
Heavy Commercial/Warehouse ............................................................................................4-11
Industrial Manufacturing ......................................................................................................4-11
Industrial-Employee Intensive ..............................................................................................4-11
Special Planning District .......................................................................................................4-11
DEVELOPMENT STANDARDS ...............................................................................................4-12
Mixed Use Development Standards ....................................................................................4-12
SPECIFIC GOALS, POLICIES, ACTIONS ..............................................................................4-12
Citywide ...................................................................................................................................4-12
Downtown Sacramento ..........................................................................................................4-13
Regional Commercial And Office Areas ..............................................................................4-15
Neighborhood /Community Commercial And Office Areas ..............................................4-16
Heavy Commercial/Warehouse Industrial Areas .................................................................4-18
Industrial/Manufacturing Areas ............................................................................................4-19
Industrial Employee Intensive Areas ....................................................................................4-20
Economic Development And Employment Opportunities ..................................................4-20

LIST OF TABLES

TABLE \( \text{PAGE} \)
1 Existing Developed (1985) Gross Acres \(4-4\)
2 Approximate Gross Acres of Existing (1985) Vacant Land \(4-5\)

LIST OF MAPS

MAP \( \text{PAGE} \)
1 Existing Major commercial Districts 1986 \(4-6\)
2 Existing Major Office Concentrations \(4-7\)
3 Existing Major \(4-8\)

LIST OF FIGURE

FIGURE \( \text{PAGE} \)
1 Various Commercial, Office and Industrial Developments within the City \(4-9\)
COMMERCE AND INDUSTRY LAND USE ELEMENT

INTRODUCTION

This Element of the 1986-2006 Sacramento General Plan discusses commercial and industrial land uses. Other land use element sections in this Plan discuss residential land use and public facility and service land use.

The Commerce and Industry Land Use Element addresses a broad range of economic activities, facilities, and support systems that constitute Sacramento's economic base. This Element presents Sacramento's program for fostering economic development and ensuring the continued vitality of the City's commercial and industrial districts, the City's land use and economic growth, employment, and commercial real estate market. Sacramento's role as a regional employment, trade, service, and governmental center is recognized and reinforced by the General Plan's goals, policies, and actions.

OVERALL GOALS

The overall goals of the Commerce and Industry Land Use Element are as follows:

Goal A
Maintain and enhance downtown's role as regional office, retail, and employment center, with special emphasis given to promoting visitor service and cultural/entertainment uses.

Goal B
Promote the re-use and revitalization of existing developed areas, with special emphasis on commercial and industrial districts.

Goal C
Promote new employment opportunities, particularly for the under-employed and economically disadvantaged.

Goal D
Promote economic vitality and diversification of the local economy.

EXISTING CONDITIONS

Sacramento serves as the employment, trade, service, and governmental center for the four-County region. As such, the City provides jobs and services for residents of neighboring communities. The City's non-residential uses, particularly in the Central City, are among the most intensely developed in the metropolitan area. Tables 1 and 2 provide the City's developed and vacant acreage figures, by community area, for each employment generating land use. The City's major commercial, office and industrial districts are illustrated on Maps 1, 2 and 3. Available commercial and industrial lands account for 34.3% of the City's vacant land.
Nearly 30 percent of the City’s inventory of developed commercial and office lands are found in the Central City. Although the Arden-Arcade community area has more land developed as regional commercial/office, the Central City’s higher building densities result in greater developed square footage. Citywide there are 3,213 acres if developed commercial and office land, representing 16.3 million square feet of commercial space, 18.9 million square feet of office space, and employing 118,700 workers.

Vacant commercial, office, and mixed use (Employment Center) lands are generally located in the City’s growth communities of South Natomas, South Sacramento, and North Natomas. Together, these three communities account for 77 percent (2,400 acres) of the City’s currently vacant 3,120 acres of commercial, office, and mixed use land as shown on Table 2. Citywide, this vacant land has a development potential of 5.5 million square feet of commercial space, 9.7 million square feet of office space, 17.5 million square feet of mixed use, for a total of 122,900 employees.

For heavy commercial/industrial uses, approximately 84 percent (2,764 acres) of the City’s developed industrial acreage is found in just five community areas: East Broadway, Central City, North Natomas, North Sacramento and South Sacramento. The City’s current inventory of heavy commercial, warehousing, and industrial development is approximately 40.6 million square feet, employing some 76,200 workers.

These same five communities also account for 90 percent (3,450 acres) of all currently vacant industrial land within the City. North Sacramento dominates this category with nearly 1,170 acres designated for future industrial development. Citywide the vacant 3,860 acres of industrial land has a buildout potential of 42.9 million square feet, employing 99,700 workers.

Examples of various commercial, office, and industrial developments located within the City are shown in Figure 1.

**CENTRAL CITY BUILDOUT POTENTIAL**

The buildout projections presented in Section 1, table 7 provide only potential square footage resulting from development of existing vacant lands. They do not take into account buildout from reuse and redevelopment opportunities. These projections may significantly underestimate the ultimate buildout of commercial and office space in the Central City. Outside the Central City, however, projections based on vacant land capacities provide an accurate measurement of future Citywide buildout.

According to the 1985 Vacant Land Study, the Central City had less than 10 acres of available commercial and office land. An additional 100,000 square feet and 4,700 employees could be realized if this land is developed at current standards. Reuse and redevelopment potential are not represented in this land use study.

For General Plan purposes, seven future high growth areas have been identified in the Central City: CBD, Midtown, 12-16th Street Corridor, R Street Corridor, Business 80 Corridor, Broadway and Southern Pacific Railyards/Richards Boulevard area. Reuse and redevelopment in these areas could total an additional 1.7 million square feet of commercial space, 22.5 million square feet of office space, and 2.1 million square feet of employee intensive uses. Together, this represents a potential for an additional 111,000 jobs over existing land uses (Table 1a, Sec. 1-14a). Redevelopment of the Southern Pacific Railyards/Richards Boulevard planning area, alone will provide an additional 255 acres of available commercial and office land; accounting for 16 million square feet of office, 1 million square feet of commercial and 76,000 employees
under the proposed land use plan. The 1985 Vacant Land Study identified less than 8,000 new jobs for the Central City.

Since the 1985 land use survey, over three million square feet of office space and 130,000 square feet of retail space has been built or is under construction in the Central City. This development accounts for an additional 17,000 jobs. Central City employment could possibly total 130,000 (66,000 jobs in 1985) with the buildout of vacant lands and the reuse of presently developed properties.

It is not certain, however, what changes in the character of the Central City would be caused by this magnitude of development; and whether development of this extent would be consistent with applicable General Plan and community plan policies.

A monitoring program and environmental reviews would allow the City to determine the potential impacts and appropriate future policies for the Central City.
### Table 1
**Existing Developed (1985) Gross Acres**

#### Employment Generating Uses

<table>
<thead>
<tr>
<th>Community Plan Area</th>
<th>Community/ Neighborhood Commercial</th>
<th>Community/ Neighborhood Office</th>
<th>Regional Commercial</th>
<th>Regional Office</th>
<th>Public Office</th>
<th>Heavy Commercial Warehouse</th>
<th>Industrial</th>
<th>Industrial Employee Intensive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airport Meadowview</td>
<td>95</td>
<td>24</td>
<td>0</td>
<td>0</td>
<td>18</td>
<td>0</td>
<td>22</td>
<td>0</td>
</tr>
<tr>
<td>Arden-Arcade</td>
<td>86</td>
<td>22</td>
<td>172</td>
<td>308</td>
<td>3</td>
<td>179</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Central City</td>
<td>400</td>
<td>267</td>
<td>20</td>
<td>94</td>
<td>103</td>
<td>552</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>East Broadway</td>
<td>219</td>
<td>55</td>
<td>0</td>
<td>0</td>
<td>37</td>
<td>647</td>
<td>664</td>
<td>0</td>
</tr>
<tr>
<td>East Sacramento</td>
<td>180</td>
<td>45</td>
<td>0</td>
<td>26</td>
<td>0</td>
<td>162</td>
<td>25</td>
<td>0</td>
</tr>
<tr>
<td>Land Park</td>
<td>178</td>
<td>44</td>
<td>0</td>
<td>0</td>
<td>33</td>
<td>146</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>North Natomas</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>179</td>
<td>0</td>
</tr>
<tr>
<td>North Sacramento</td>
<td>228</td>
<td>57</td>
<td>0</td>
<td>0</td>
<td>13</td>
<td>310</td>
<td>10</td>
<td>25</td>
</tr>
<tr>
<td>Pocket</td>
<td>83</td>
<td>21</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>South Natomas</td>
<td>204</td>
<td>51</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>377</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>South Sacramento</td>
<td>204</td>
<td>51</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>377</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Study Area Total</strong></td>
<td><strong>1,746</strong></td>
<td><strong>603</strong></td>
<td><strong>192</strong></td>
<td><strong>466</strong></td>
<td><strong>206</strong></td>
<td><strong>2,373</strong></td>
<td><strong>900</strong></td>
<td><strong>25</strong></td>
</tr>
</tbody>
</table>

**Assumptions:** Data for areas with office/industrial mix land use designation have been allocated to Regional Office and Industrial Employee Intensive designations.

**Sources:** City Land Use Inventory 1985 and City Planning Division staff (pers. comm.)

**Note:** Data for South Natomas and North Natomas include some county areas. Data for all other community plan areas include only city areas.

Values less than 0.5 are shown as 0 due to rounding. Sum of values may not equal total shown due to rounding.
Table 2
Approximate Gross Acres of Existing (1985) Vacant Land

<table>
<thead>
<tr>
<th>Community Plan Area</th>
<th>Community/Neighborhood Commercial</th>
<th>Community/Neighborhood Office</th>
<th>Regional Commercial</th>
<th>Regional Office</th>
<th>Public Office</th>
<th>Heavy Commercial Warehouse</th>
<th>Industrial</th>
<th>Industrial Employee Intensive</th>
<th>Mixed Use</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airport Meadowview</td>
<td>46</td>
<td>11</td>
<td>35</td>
<td>179</td>
<td>0</td>
<td>13</td>
<td>0</td>
<td>245</td>
<td>0</td>
</tr>
<tr>
<td>Arden-Arcade</td>
<td>1</td>
<td>0</td>
<td>11</td>
<td>30</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>15</td>
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<tr>
<td>Central City</td>
<td>5</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>86</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>East Broadway</td>
<td>18</td>
<td>89</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>646</td>
<td>0</td>
<td>90</td>
<td>0</td>
</tr>
<tr>
<td>East Sacramento</td>
<td>22</td>
<td>15</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>80</td>
<td>0</td>
<td>9</td>
<td>0</td>
</tr>
<tr>
<td>Land Park</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>10</td>
<td>0</td>
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<tr>
<td>North Natomas</td>
<td>252</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>595</td>
<td>0</td>
<td>0</td>
<td>1,441</td>
</tr>
<tr>
<td>North Sacramento</td>
<td>19</td>
<td>5</td>
<td>0</td>
<td>51</td>
<td>0</td>
<td>871</td>
<td>97</td>
<td>202</td>
<td>0</td>
</tr>
<tr>
<td>Pocket</td>
<td>10</td>
<td>49</td>
<td>0</td>
<td>117</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>South Natomas</td>
<td>143</td>
<td>33</td>
<td>0</td>
<td>318</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>36</td>
<td>0</td>
</tr>
<tr>
<td>South Sacramento</td>
<td>177</td>
<td>44</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>867</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>693</strong></td>
<td><strong>247</strong></td>
<td><strong>46</strong></td>
<td><strong>694</strong></td>
<td><strong>0</strong></td>
<td><strong>3,168</strong></td>
<td><strong>97</strong></td>
<td><strong>597</strong></td>
<td><strong>1441</strong></td>
</tr>
</tbody>
</table>

Assumptions: Data for areas with office/industrial six land use designation have been allocated to Regional Office and Industrial Employee Intensive designations, except in North Natomas where all Employment Center land use designations are allocated to mixed use.

Sources: City Land Use Inventory 1985 and City Planning Division staff, and 1994 North Natomas Community Plan.

Note: Data for South Natomas include some county areas. Data for all other community plan areas include only city areas.

Data for North Natomas was calculated by converting from net to gross using a gross to net factor of 85 percent for Highway Commercial and Light Industrial and 88 percent for other commercial uses and Employment Center uses. All commercial land uses are designated CNCC for General Plan, NNCP Light Industrial is designated Heavy Commercial Warehouse, and Employment Center land uses are designated Mixed Use.
Figure 1

REHABILITATED COMMERCIAL

URBAN OFFICE

OFFICE PARK

STRIP COMMERCIAL

COMMUNITY SHOPPING

RIVERFRONT COMMERCIAL

HEAVY INDUSTRIAL

COMMERCIAL/OFFICE

VARIOUS COMMERCIAL, OFFICE AND INDUSTRIAL DEVELOPMENTS WITHIN THE CITY
PLANNED COMMERCE AND INDUSTRY DEVELOPMENT

MIXED USE DEVELOPMENT

Urban development is becoming increasingly integrated and complex through the use of mixed use development projects and areas. These projects typically incorporate a mix of office, limited retail, and higher density residential uses. In some larger, more intense development, light manufacturing and research oriented activities may be appropriate. These projects bring an “urban scale” to the otherwise low density character of suburban living. New levels of activity are generated by these mixed use “employment centers”. They become identifiable activity nodes, the focus of the community. When developed adjacent to or in conjunction with public transit facilities, a built-in ridership base is provided.

Mixed use developments are ideally suited for land within the Central City, such as the reuse of the Southern Pacific Railyards, or within high activity nodes along transportation corridors, such as are proposed at light rail stations in North Natomas. These areas, particularly Downtown, are recognized as serving a multitude of community needs including housing, employment, cultural, historical, commercial recreation, and open space.

Within the context of this Plan, mixed use development is intended to affirm the positive aspects of the mixed use nature of these areas and to provide for the continued expansion of commercial, certain light industrial, office, professional, cultural, residential, and recreational uses within these high activity nodes. Because of the purposeful mixing of land uses, great care must be taken to assure the compatibility of adjacent uses and all uses within the development project.

COMMERCE AND INDUSTRY LAND USE DESIGNATIONS

The following briefly describes the overall intent of each of the various commerce and industry land use designations depicted on the land use map. No attempt is made to list all possible uses which would be allowed in each area. The Plan’s Implementation Section presents land use-zoning consistency and other implementing tools designed to carry out the intent of the land use plan. Commerce and Industry land use designations are as follows:

Commerce/Neighborhood Commercial and Office

Includes shopping centers (less than 200,000 square feet), commercial strips, and smaller office developments which offer goods and services for the daily needs of adjacent residential areas. These uses maybe located adjacent to residential areas without significant adverse impacts.

Regional Commercial and Office

Includes larger (regional) shopping centers, the Central Business District, and suburban office parks. A grouping of smaller retail centers or office buildings, or a single facility with a regional trade area would also fall into this category. The Central Business District is included in this category because of its regional function as an employment, retail trade, service, and office center.

Public Office

Includes land developed with office uses that are owned and occupied by the various agencies of local, State and federal governments. Such uses would include the City Hall, County
Administration Building, State Capitol, and other government office buildings. This category is useful because of Sacramento’s high concentration of office space occupied by government agencies.

**Heavy Commercial/Warehouse**

Includes lands developed with heavy commercial (printing, bakeries, laundries etc.), warehousing/distribution, and some light manufacturing activities. Office uses are allowed up to 25 percent of gross floor area, but are typically developed at 10 percent. Office uses of greater than 25 percent require a Special Permit and may be considered on a case-by-case basis. Activities in this category would be operational impacts (truck traffic, noise, hours of operation) that would not be desirable adjacent to retail, commercial or residential uses. These uses would most likely locate in close proximity to transportation facilities possibly within planned industrial/business parks.

The Light Industrial development anticipated in North Natomas would be compatible with both the Heavy Commercial/Warehouse and Industrial Manufacturing designations (Community Plan/General Plan Land Use Matrix, Section 9 Page 8) for the purposes of the Land Use Inventory (Tables 1 and 2) Light Industrial acreage has been classified as Industrial.

**Industrial Manufacturing**

Includes lands designated for most industrial manufacturing processes and activities. Office uses are limited to 25 percent of gross floor area without a Special Permit. This would be a “general industrial” designation that could be applied to most industrial activities that are not warehouse/distribution or employee intensive uses. Types of manufacturing which could be allowed are not regulated by the specific naming of acceptable or unacceptable use, but instead are limited only as far as they do or do not meet specific performance standards.

**Industrial-Employee Intensive**

Includes lands designated on community plans as Labor Intensive, High-Tech, and MRD (Manufacturing, Research and Development). Office uses up to 50 percent of electronics, research oriented uses, as well as limited non-industrial uses that have high employee intensities (30-45 employees/acre). The Community Plans permit a degree of flexibility in the General Plan standards depending upon specific conditions in the community. The Employee Intensive designation would be appropriate for high activity nodes along transportation corridors and for industrial land in North Natomas.

**Mixed Use**

Includes a mixture of office, commercial, open space and medium and high density residential uses. In some larger, more intense development, light manufacturing and research oriented activities may be appropriate. These uses are more ideally suited for land within the Central City, or adjacent to a high activity node along a light rail transit line or freeway corridor. The Southern Pacific Railyards site, within the Central City, and the Employment Center areas designated in North Natomas are examples of mixed use development.

**Special Planning District**

Includes areas where an orderly transition of land use is anticipated due to infrastructure, access, service or marketing changes. The Richards Boulevard Special Planning District, within the Central City, is one example of an area where new development opportunities will result from funded redevelopment activities and extension of transit service to the area.
DEVELOPMENT STANDARDS

State Planning Law (Government Code Section 65302a) mandates that the Land Use Element incorporate development standards for residential and non-residential land uses. Such standards may establish criteria for population, employment, and building intensities. The City Zoning and Subdivision Ordinances, along with Community Plan land use policies, implement these development standards.

Community Plan land use policies can refine the General Plan standards based on a community's development goals and needs. The standards offer flexibility as they can be modified to the conditions present in the community. For example, the Employee Intensive land use designation allows industrial (electronics and research oriented uses), as well as limited retail and office uses depending on location. Development standards are also flexible for downtown office projects, as they are reviewed on a special project basis.

MIXED USE DEVELOPMENT STANDARDS

Notwithstanding the land use designations shown on the General Plan map, any area designated for commercial, office, or industrial development mixed uses may be allowed in accordance with one or more the following requirements:

- The project is a Planned Unit Development that meets the requirements of Chapter 5, Section 4 of the City’s Zoning Ordinance.
- The project is located in the Central City or is adjacent to a high activity node along a light rail transit or freeway corridor.
- The project is consistent with any applicable community plan.
- The project is developed in accordance with mixed use guidelines.

SPECIFIC GOALS, POLICIES, ACTIONS

CITYWIDE

Goals A:

Promote Transit Oriented Development (TOD) within ¼ mile of existing and future light rail transit (LRT) stations.

Policy 1

Actively support and encourage mixed use commercial, office, and residential development in identified areas of opportunity around light right stations by establishing minimum development standards, potential financial incentives, and priority processing or streamlined review.

Policy 2

Implement land use policies, ordinances, development standards, and design guidelines consistent with the Transit for Livable Communities (TLC) recommendations.
DOWNTOWN SACRAMENTO

Goal A

Maintain and strengthen Downtown’s role as a major regional office, retail, commercial, governmental, and cultural/entertainment center.

Downtown Sacramento is the urban core for a region of nearly 400 square miles and well over one million people. It is the regional office, retail, governmental and cultural center, employing over 66,800 workers mostly in government and service-related positions. Over 4.5 million square feet of retail space (approximately 28 percent of the City’s total inventory), and over 10.3 million square feet (54 percent) of the City’s office space is located in the Central City.

Downtown has another role besides that of a retail commercial and office district. It’s where cultural/entertainment activities and events can be brought together to serve the entire community and its visitors. Downtown serves as more than just shopping, offices, and public buildings; it is an area that takes on a set of values that cannot be duplicated at suburban shopping malls or office parks. Through public and private efforts, Downtown should continue to provide opportunities for community-wide cultural and entertainment activities.

Downtown’s continued vitality depends upon maintaining and strengthening land use relationships and activity levels. High levels of activity attract new development opportunities (retail, office, residential), which in turn promote additional demand for commercial services and cultural/entertainment activities. Public and private redevelopment efforts have made significant progress in arresting decay and revitalizing the Downtown. Continuing efforts will be needed to maintain and enhance Downtown’s image and vitality.

Policy 1

Provide incentives for regional commercial and office development projects locating within the downtown area.

Action a): With Sacramento Housing and Redevelopment (SHRA), continue efforts to promote and develop major regional commercial and office projects in the Downtown area.

Policy 2

Actively support the development of cultural and entertainment facilities and events in the downtown area.

Policy 3

Actively support efforts to develop visitor and convention facilities in the downtown area.

Action a): With SHRA, continue efforts to develop and manage Old Sacramento and other related facilities as major tourist destinations.

Action b): Continue public funding and support of the Community Center and other Downtown convention facilities.
Policy 4

Implement the provisions of the Central Business District Urban Design Plan.

Action a): Update and amend affected plans and ordinances including the Central City Community Plan, Downtown Redevelopment Plan, and City Zoning Ordinances to reflect the Policy Guidelines of the Urban Design Plan.

Policy 5

Actively support efforts to develop child care facilities for downtown employees, shoppers, and visitors.

Goal B

Promote the successful development of mixed-use projects in the Central City.

The resurgence of downtown retail commercial uses is expected to continue, fostering further development opportunities. New downtown retail, projects are being incorporated into mixed use developments that integrate a variety of activities. Mixed use development is anticipated to become downtown’s future growth stimulus. Single-use projects will become less desirable as activity levels increase and downtown property becomes more valuable. Four key components typically found in mixed use developments include: retail space, offices, hotels, and residential uses.

Three Central City areas offering unique mixed use development opportunities have been identified. Two are related to initial Light Rail Transit Corridors (12th through 16th Streets and R Street) that will become important entryways into downtown. Activity levels are projected to increase attracting new investment opportunities and stimulating mixed use commercial, office and residential development.

The third area, the Southern Pacific railroad yard, has the potential of becoming Sacramento’s premier mixed-use development. With the adoption of the redevelopment plan for the Richards Boulevard Redevelopment Project, the city worked with Southern Pacific and Sacramento Housing and Redevelopment (SHRA) to plan for a vital and active mixed use district for the reuse and redevelopment of the Railyards and Richards Boulevard area. The Railyards Specific Plan and the Richards Boulevard Area Plan provide for the preservation of the Southern Pacific Depot and the historic core of the Central Shops complex for cultural and community-oriented uses that will heighten the historic significance of the site; create an intermodal transportation center which continues the area’s historic transportation role and reinforces downtown as the principle transit hub for the region; provides a comprehensive system of open space which increases the amount of open space in the Central City and strengthens the relationship of Sacramento with the Sacramento and American Rivers; proposes approximately 6,600 residential units which enhances the role of downtown as a place to live and work; and, proposes 16 million square feet of office uses which reinforces the role of downtown as the region’s primary employment center.

Policy 1

Actively support and encourage mixed use commercial, office, and residential development in identified areas of opportunity.

Action a): Work with SHRA and private developers to study and adopt a mixed-use concept plan for the Southern Pacific Railroad Yard, R Street Corridor, and 12th through 16th Street Corridor.
Goal C

Maintain and strengthen Downtown’s role as a center for governmental office activity.

Sacramento’s office market has traditionally been dominated by government office space needs, particularly the State agencies. The Central City office market is particularly influenced by government space needs. Nearly 40 percent (4.2 million square feet) of Central City office space is occupied by government agencies. The Sacramento Facilities Plan calls for the State to occupy an additional one-half million square feet of office space within the next ten years, most of which will be located in the Central City.

In addition to the State, City, County and Federal agencies occupy a significant portion of Downtown office space. These agencies, together with space occupied by government-related firms, constitute Downtown’s major office space market. This market sector must be promoted and the demand satisfied in order to maintain the vitality of Downtown’s office market.

Policy 1

Encourage continued construction and leasing of public office space in downtown Sacramento.

Action a): Work with public agencies to assess future office space needs, and impacts on Downtown office market.

Action b): Re-examine State interim office space needs in light of Sacramento’s surplus inventory of commercial office space.

REGIONAL COMMERCIAL AND OFFICE AREAS

Goal A

Ensure that the City of Sacramento captures a Regional Central City’s share of the regional office market.

Sacramento’s office market is undergoing basic structural changes by becoming more diversified and less dependent upon government office space needs. The City is gradually assuming the characteristics of a Corporate Complex Center, as corporations begin locating major West Coast offices in the area. This demand for corporate office space is spurring development activity Downtown and in prime suburban locations. Secondary markets for office space are also being created by smaller service and professional firms.

The Sacramento Metropolitan office market is experiencing substantial development activity and is in a highly speculative phase. Recent construction activity has accounted for the area’s office space inventory nearly doubling in the past four years. High activity areas in the City include Downtown (which continues to absorb about 30 percent of new office construction), Midtown, Point West-Howe Avenue Corridor, South Natomas and North Natomas. Prime suburban locations include the Highway 50 Corridor, Folsom, and Roseville. The City’s developing regional office locations in North and South Natomas, and in the south area’s Delta Shores are aimed at attracting corporate and research-oriented office users.
Policy 1

Assist public and private interests in developing strategies for attracting and retaining major office users inside the City of Sacramento.

Action a): Study and determine, from the City of Sacramento’s perspective the City’s share of the metropolitan office market.

Action b): Assist SACTO, Chamber of Commerce, and others in developing a strategy to promote and market the City as a regional office center.

Action c): Initiate and update annually an inventory of office lands in the City.

Goal B

Promote development of mixed-use regional commercial and office projects.

As Sacramento becomes more intensely developed, multi-use development will be actively sought. Mixed-use projects of a regional scale constitute major employment/activity centers. These activity nodes, whether master planned or individual projects, provide a mix of retail, office, public, and residential uses. Mixed use regional centers promote varied activities; extended hours of operation; weekend, and evening use of projects that would otherwise have limited activity periods. The multi-function developments are also a more efficient use of urban resources.

Regional office parks also have the opportunity to incorporate mixed uses (limited retail, light manufacturing, child care, and public amenities) and become major activity periods. The multi-function developments are also a more efficient use of urban resources. Ground floor retail and non-office uses are being promoted for major downtown office buildings. Some of these projects may also lend themselves to include residential uses, either within or adjacent to the development.

Policy 1

Strongly encourage new regional commercial and office centers to incorporate accessory uses as stated below.

Action a): Study and adopt development guidelines that establish incentives for inclusion of public amenities, transit amenities, child care facilities, and non-office ground floor retail uses in regional office and commercial developments.

NEIGHBORHOOD /COMMUNITY COMMERCIAL AND OFFICE AREAS

Goal A

Ensure that all areas of the City are adequately served by neighborhood/community shopping districts.

Neighborhood/community shopping districts serve a valuable role in meeting the daily commercial needs of City residents. As there are only two regional shopping centers in the City (Downtown Plaza and Arden Fair), maintaining the viability of local shopping districts is ever more important. The ability of these districts, whether strip or center development, to attract continued investment and patronage is an important Citywide goal. Blighted conditions, high vacancies, and a lack of variety of goods and services discourages patronage and new
businesses. The stability of the surrounding neighborhood is also a contributing factor in the success and vitality of a local shopping district.

Declining shopping districts require public and private assistance to prevent further decay and blight. City actions, whether direct assistance or permitting more flexible zoning regulations, should be implemented to encourage re-use and revitalization. The City has successfully revitalized selected commercial districts through the Community and Redevelopment Plan process.

Policy 1

**Maintain and strengthen viable shopping districts throughout the City.**

Action a): Special planning districts or other flexible interim zoning mechanisms can be applied to blighted or underutilized commercial districts, where unique problems can not be treated with existing regulatory measures.

Policy 2

**Promote the rehabilitation and revitalization of existing commercial centers.**

Action a): Code enforcement and improvement programs shall be focused in those areas where commercial land uses are suffering blight or underutilization.

Policy 3

**Regulate shopping center proposals according to the criteria established in the City’s adopted shopping center development standards.**

Action a): Continue to utilize the City’s Shopping Center Development Standards during project evaluation.

Policy 4

**Strengthen viable strip commercial development and discourage existing marginal strips from being extended.**

Action a): Identify declining commercial strips and initiate revitalization programs, or where appropriate recommend alternative land uses.

Action b): Work with developers and property owners to develop standards for new strip commercial development proposals along existing commercial strips.

Goal B

**Promote mixed use development of neighborhood/community commercial districts through new construction and revitalization.**

The continued viability of many of Sacramento’s older commercial strips and centers depend upon re-use and revitalization. They are typically located in mature communities with little vacant land available for new commercial development. Incorporating non-retail uses (offices, child care, residential, and public facilities) within commercial districts promotes new investment opportunities.
Mixed use development generally allows a higher intensity of use than otherwise allowed through standard zoning restrictions or single-use projects. The benefits, however, far outweigh the potential impacts of the increased intensities. This mix of uses injects a renewed vitality into the area, attracting new investment and patronage. With continued re-investment, mixed use commercial districts become a community’s focal point or activity center. Property adjacent to light rail transit lines and stations have perhaps the greatest opportunity for mixed uses and revitalization. These transit corridors (lower Del Paso Boulevard, 12th Street, R Street, etc.) have been identified for further study.

Policy 1

**Allow mixed use development in accordance with the requirements set forth previously in this Section.**

Action a): Work with public and private interests to study and adopt mixed use development guidelines.

Action b): Examine, in cooperation with Regional Transit, Light Rail Transit corridors for neighborhood/community mixed use development opportunities.

Policy 2

**Promote the development of mixed use local commercial/office and high density residential projects.**

Action a): Study the feasibility of allowing residential uses in conjunction with commercial centers and strip development.

**HEAVY COMMERCIAL/WAREHOUSE INDUSTRIAL AREAS**

**Goal A**

**Maintain and strengthen Sacramento’s role as a major West Coast warehousing/distribution center.**

Sacramento is one of the leading warehousing/distribution centers in the western United States. The area’s extensive transportation network (highway, rail, air, and shipping); central location in the west and inexpensive land and labor costs, all contribute to Sacramento's success as a major warehousing/distribution center. Maintaining these factors, as well as well providing adequate lands for future expansion, will ensure the continued vitality of this major industrial sector.

The heavy commercial/warehousing sector is the single most important component of Sacramento's industrial base; accounting for 72 percent of the City's developed industrial lands and employing 30 percent of its labor force. The largest concentrations of warehousing activities are found in the Richards Boulevard area, the Florin-Perkins area, North Sacramento, and in Yolo County’s West Sacramento. Buildout potential of the City’s vacant heavy commercial/warehousing lands more than equals the existing developed square footage (31.4 versus 34.7 million), and employment (58,700 versus 72,300).

Policy 1

**Provide adequate land for expansion of existing facilities and opportunities for new warehousing/distribution activities.**
Action a): Conduct a study of warehousing/distribution firms to analyze industry needs, locations, land, transportation, and support services.

Action b): Conduct a study to determine if adequate land reserves exist for anticipated growth of local warehousing/distribution industry through the 20 year time frame of this plan.

Policy 2

Assist private interests to maintain and strengthen the competitive advantages of Sacramento’s warehousing/distribution industry.

Action a): Assess existing demand levels and capacities of urban services and transportation network utilized by warehousing/distribution firms.

Action b): Work with SACTO and Chamber of Commerce to develop and actively promote Sacramento as a leading warehousing/distribution center.

INDUSTRIAL/MANUFACTURING AREAS

Goal A

Continue to identify and attempt to minimize potential adverse impacts from increased industrial development.

Industrial development encompasses a wide variety of activities and manufacturing processes, many of which have potentially adverse impacts associated with them. Sacramento is fortunate in that its industrial base (of mostly light manufacturing and warehousing/distribution firms) does not have the serious environmental concerns associated with heavy “smoke-stack” industries. Some projected new projects in the local manufacturing and electronics industries many have potential impacts affecting air and water quality, noise, circulation, land use, and other areas of environmental concern.

Planned industrial/business parks have become the development standards for the City’s light manufacturing and warehousing/distribution activities. A variety of business functions can now be performed at one facility rather than several different locations. The projects readily lend themselves to comprehensive planning of lot and circulation design, utilities, building intensity, off-site improvements, and environmental mitigations.

Policy 1

Allow industrial development only in those areas where potential impacts can be expected to be minimized.

Action a): Industrial uses will be regulated using the Zoning Ordinance, General Plan and community plan goals, and the environmental review process.

Action b): Industrial uses, proposed near existing residential areas, must have an internal circulation system and other design amenities.

Action c): Work with the City’s Toxic Substances Commission and other governmental agencies in developing a Toxic Substance Management Plan that would include restricting the use of toxic/hazardous materials by industrial users when adjacent to residential areas, schools, or other sensitive areas.
Policy 2

Prohibit industrial uses within the American River Parkway. Also, prevent incompatible industrial development adjacent to the American and Sacramento River Parkways.

Action a): Continue to implement parkway corridor development restrictions which address suitable uses.

INDUSTRIAL EMPLOYEE INTENSIVE AREAS

Goal A

Promote the development of employee intensive uses in selected locations where such uses would encourage Light Rail Transit ridership, promote planned housing opportunities; and offer incentives for reuse.

The industrial employee intensive designation is considered a mixed-use category allowing limited retail, office, light manufacturing, and research oriented activities. It would be appropriate for industrial areas where high employee intensities are preferred (30-45 employees per acre). Appropriate locations include older warehousing districts experiencing conversion to office, limited retail and light manufacturing uses; research oriented business parks; and sites adjacent to public transit or convenient freeway access. Such locations include the following: Richards Boulevard, Highway 160 Corridor, Folsom Boulevard-Light Rail Transit Corridor, North Natomas, and Airport Meadowview’s Delta Shores.

Employee intensive uses, mixed use developments, and higher density residential projects strongly support the General Plan’s overall goals of revitalization, reuse, and a general increase in densities consistent with developing an urban character for the City. Another goal of mixed uses and Employee Intensive designation is encouraging public transit ridership and less dependency on single occupant auto trips.

Policy 1

Support employee intensive uses where appropriate along transportation corridors, adjacent to Light Rail stations, within selected mixed-use areas, and where community plan and redevelopment goals would be implemented.

Action a): Identify and study areas of opportunity where employee intensive uses would be appropriate.


ECONOMIC DEVELOPMENT AND EMPLOYMENT OPPORTUNITIES

Goal A

Expand local industrial base through diversification and increased manufacturing activities.

Diversification of the economy is an important factor in maintaining a community’s economic vitality and overall quality of life. Sacramento’s economy has long been dependent on three economic sectors: government, services, and trade. These three account for 78 percent of the
region’s total employment. Manufacturing activities employ less than ten percent of the regional labor force. Although the local economy is diversifying, manufacturing, and particularly the electronics industry, does not now constitute a major employment base.

Local government can have a positive influence on local economic growth and development. Such influence may include: issuing revenue bonds, public/private partnerships, land use policies, and capital improvements. Many localities are also actively promoting and recruiting new industry in order to secure a needed revenue and employment base. The retention and expansion of existing industries is equally important as new development in fostering job growth and economic stability.

Policy 1

**Strongly encourage major employers to incorporate local hiring preferences.**

Action a): The City shall study and consider adopting local hiring incentives for major industrial uses.

Policy 2

**Provide public support to expand job placement and training services.**

Action a): The Economic Development Coordinator’s office will coordinate with SETA/PIC which contacts local employers to assess needed employee skill levels and to establish training and internship programs.

Policy 3

**The City shall study methods for encouraging major employers to incorporate child care facilities and/or programs to help attract and maintain a productive work force.**

Action a): The Child Care Coordinator’s office will coordinate with the Office of Economic Development, Child Action, Inc., and local employers to assess employer/employee needs and to establish facilities and programs to meet those individual needs.

Policy 4

**Consider giving assistance to industrial projects that promote employee training or are located in communities with high unemployment problems.**

Action a): Study the feasibility of waiving City processing fees, fast-tracking project review procedures, or other such incentives for employer with employee training programs or that locate in high unemployment areas.