



Report to  
**PLANNING AND DESIGN COMMISSION**  
City of Sacramento  
915 I Street, Sacramento, CA 95814-2671  
[www.CityofSacramento.org](http://www.CityofSacramento.org)

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**STAFF REPORT**  
March 24, 2016

To: Members of the Planning and Design Commission

**Review and Comment Report on the Downtown Sacramento Railyards (P15-040)**

**Location/Council District:**

Generally east of Sacramento River, south of City Water Treatment Plant and North B Street, west of 12<sup>th</sup> Street, north and west of the Alkali Flat neighborhood, north of H Street between 5<sup>th</sup> and 7<sup>th</sup>, and northwest of 5<sup>th</sup> and I Street.

APNs: 002-0010-023-0000, 002-0010-027-0000, 002-0010-028-0000, 002-0010-044-0000, 002-0010-049-0000, 002-0010-052-0000, 002-0010-054-0000, 002-0010-056-0000, 002-0010-058-0000, 002-0010-061-0000, 002-0010-060-0000, 002-0010-062-000, 002-0010-063-0000, 006-0023-002-0000

Council District 3

**Recommendation:** Staff requests the Commission pass a motion to approve items A&B and provide review and comment on Item C. **Item A: Initiate the Process** for adoption and amendments to the Sacramento Railyards Special Planning District; and **Item B: Initiate the Process** for amendments to the Sacramento Railyards Specific Plan; and **Item C: Provide review and comment** on the proposed General Plan Amendments and Rezones for the Downtown Sacramento Railyards and anticipated changes to the Special Planning District which include updating the policy documents for process consistency with the 2013 Planning and Development Code and the Central Core Design Guidelines and to incorporate a soccer stadium and hospital into the plan area.

**Contact:** Teresa Haenggi, Associate Planner, (916) 808-7554;  
[thaenggi@cityofsacramento.org](mailto:thaenggi@cityofsacramento.org)  
Evan Compton, Senior Planner, (916) 808-5260;  
[ecompton@cityofsacramento.org](mailto:ecompton@cityofsacramento.org)  
Richard Rich, Railyards Project Manager, (916) 808-2519  
[rrich@cityofsacramento.org](mailto:rrich@cityofsacramento.org)

**Applicant:** Jay Heckenlively, Downtown Railyard Ventures, LLC  
3140 Peacekeeper Way, McClellan, CA 95652

**Owners:** Downtown Railyards Ventures, LLC  
3140 Peacekeeper Way, McClellan, CA 95652

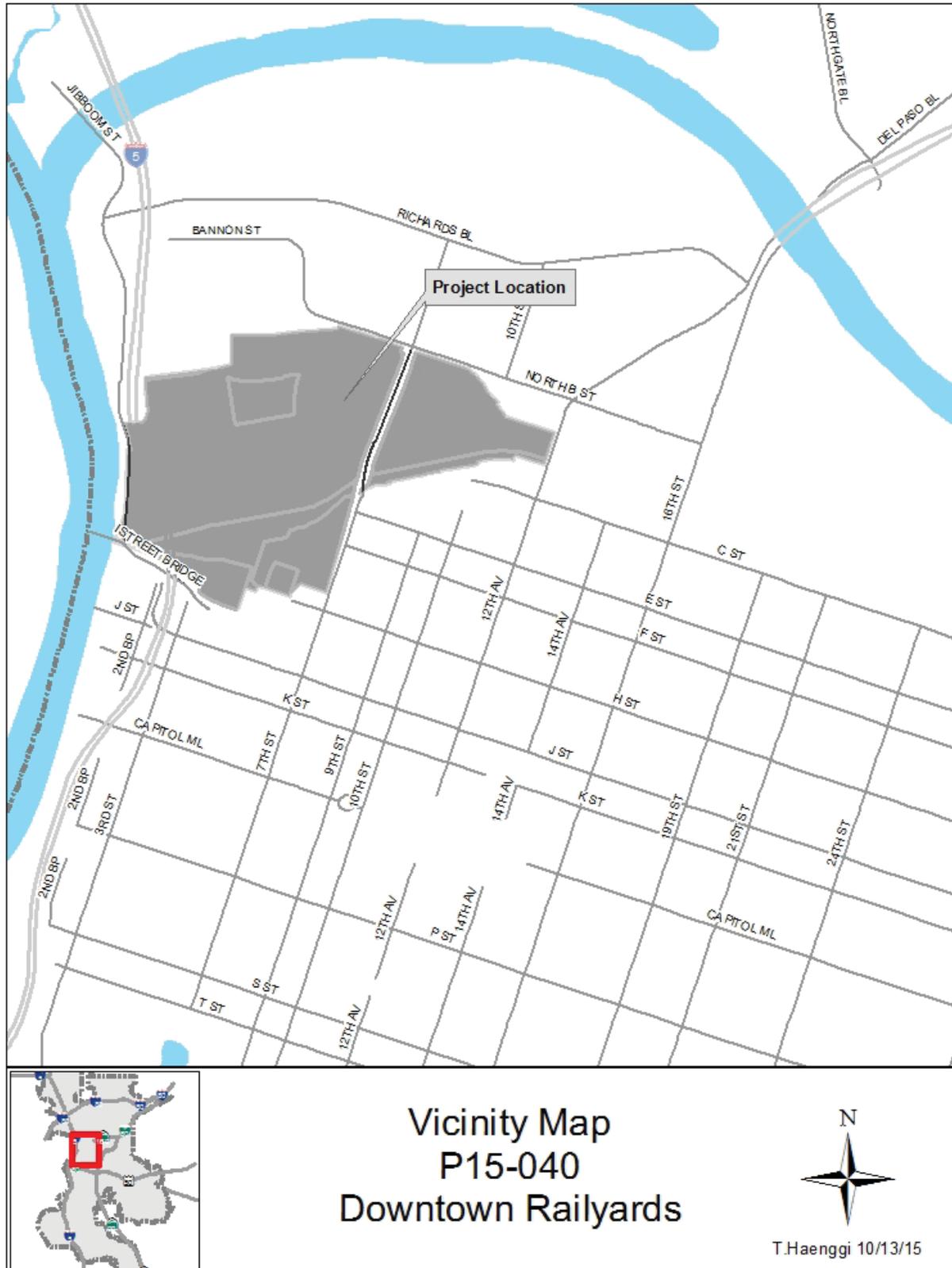
(LLC Members: Larry D. Kelley, Denton Kelley, Jay Heckenlively, Frank Myers, and Alan Hersh)

City of Sacramento, 915 I Street, Sacramento, CA 95814

State of California, 455 Golden Gate Ave. #8, San Francisco, CA 94102

Sacramento Municipal Utility District (SMUD) P.O. Box 15830,  
Sacramento, 95852

Figure 1: Vicinity Map



**Summary:** Staff requests the Commission review and comment on the proposed General Plan Amendments and Rezones for the Downtown Sacramento Railyards and to approve a Statement of Initiation to direct staff to draft necessary changes for the Downtown Sacramento Specific Plan and Special Planning District. The changes are being proposed for two main reasons: a) the applicant is requesting to incorporate a soccer stadium and hospital into the master planning for the project area which also offers the opportunity to fine-tune the overall vision around these two major users; and b) this important infill site would benefit by integrating the citywide code updates implemented since the Railyards project was originally approved (i.e. replacing the Urban Development Permit process with the standard Site Plan and Design Review process and providing more consistency with the Central Core Design Guidelines).

This report focuses on the General Plan, Rezones, and Special Planning District components. A future Review and Comment hearing is planned to discuss the Specific Plan and Design Guidelines.

The project site has the following General Plan designations: Urban Center High, Urban Neighborhood High Density, Public/Quasi-Public, and Parks and Recreation. The project site is in the Residential/Commercial Mixed Use (RCMU-SPD) zone, Office/Residential Use (ORMU-SPD) zone, and the Residential Mixed-Use (RMU-SPD) zone in the Sacramento Railyards Special Planning District. These zones are unique to the Sacramento Railyards and were adopted in 2007.

<b>Table 1: Project Information</b>
<b>Existing General Plan designations:</b> Urban Center High, Urban Neighborhood High Density, Public/Quasi-Public, Parks and Recreation
<b>Proposed General Plan designations:</b> Central Business District, Public/Quasi-Public, Parks and Recreation, and Employment Center Low Rise
<b>Existing zoning of site:</b> Residential/Commercial Mixed Use (RCMU-SPD), Office/Residential Use (ORMU-SPD), Residential Mixed Use (RMU-SPD), Transportation Corridor (TC-SPD), and Heavy Industrial (M-2 SPD)
<b>Proposed zoning of site:</b> Central Business District (C-3 SPD), General Commercial (C-2 SPD), Limited Commercial (C-1 SPD), High Rise Residential (R-5 SPD), and Hospital (H-SPD), Transportation Corridor (TC-SPD), and Heavy Industrial (M-2 SPD)
<b>Special Planning District:</b> Railyards Special Planning District
<b>Property area:</b> Approximately 244 acres

**Background and Entitlement History:** The original Railyards project (P05-097) was approved by the City Council on December 11, 2007. The project involved the development of a maximum of 12,100 dwelling units, 1.4 million square feet of retail, 1,100 hotel rooms, 2.4 million square feet of office, 485,390 square feet of historic/cultural space, and 491,000 square feet of mixed use. A subdivision modification for minor changes was approved by the Planning and Design Commission in 2012 (P10-040). The changes included revising sections of 5<sup>th</sup> Street and 7<sup>th</sup> Streets

to show two-way traffic; changing the alignment of 5<sup>th</sup> and 6<sup>th</sup> Streets; revising the tentative map to reflect the realignment and to accommodate a parking garage.

**Public/Neighborhood Outreach and Comments:** Staff routed the proposal to various neighborhood groups and associations, including the Alkali and Mansion Flat Neighborhood Association, Dreher Tract Neighborhood Association, River District, Preservation Sacramento, Downtown Sacramento Partnership, Midtown Business Association, China Mall Committee, Old Sacramento Business Association, Sacramento Housing Alliance, Walk Sacramento, and Sacramento Area Bicycle Advocates. The applicant is conducting an extensive outreach effort, which will continue throughout the entitlement process.

**Environmental Considerations:** The Community Development Department, Environmental Planning Services has determined that directing staff to draft necessary changes for the SPD is not considered a “project” under the California Environmental Quality Act (CEQA), Section 15378(b)(2). The action is a continuing administrative government activity, such as general policy and procedure making. The Railyards Specific Plan Amendment, Kaiser Permanente, and MLS stadium project proposal for development will be evaluated in a Subsequent Environmental Impact Report (SEIR) that includes a complete project description, identification of potential significant effects, mitigation requirements, and an evaluation of alternatives. The draft SEIR will be circulated for a public review period. Certification of the SEIR is required before approval of any project component.

### **Special Planning District**

The Railyards Special Planning District, currently Chapter 17.440 of Title 17 of the City Code, is to be completely revised to reflect the new zoning categories, development standards, and the new Site Plan and Design Review process. The SPD standards will assist with the implementation of the Specific Plan and Design Guidelines. Enactment of the SPD will allow the City to review the proposed development plans consistent with the permitting process adopted in September 2013 with the updated Planning and Development Code.

#### *Project Review Process*

Staff recommends the proposed SPD eliminate the “Planning Director Urban Development Permit” process and replace it with the citywide “Site Plan and Design Review” process.

The current SPD was adopted before the citywide streamlining code amendments were approved in 2013. At that time, the Planning Director Urban Development Permit process was designed to create a consistent process for each new project in the Railyards. Any projects in the Railyards are currently required to follow this process: 1) mandatory pre-application meeting with city staff, 2) review and comment by Commission on the pre-application documents, 3) formal project application submittal,

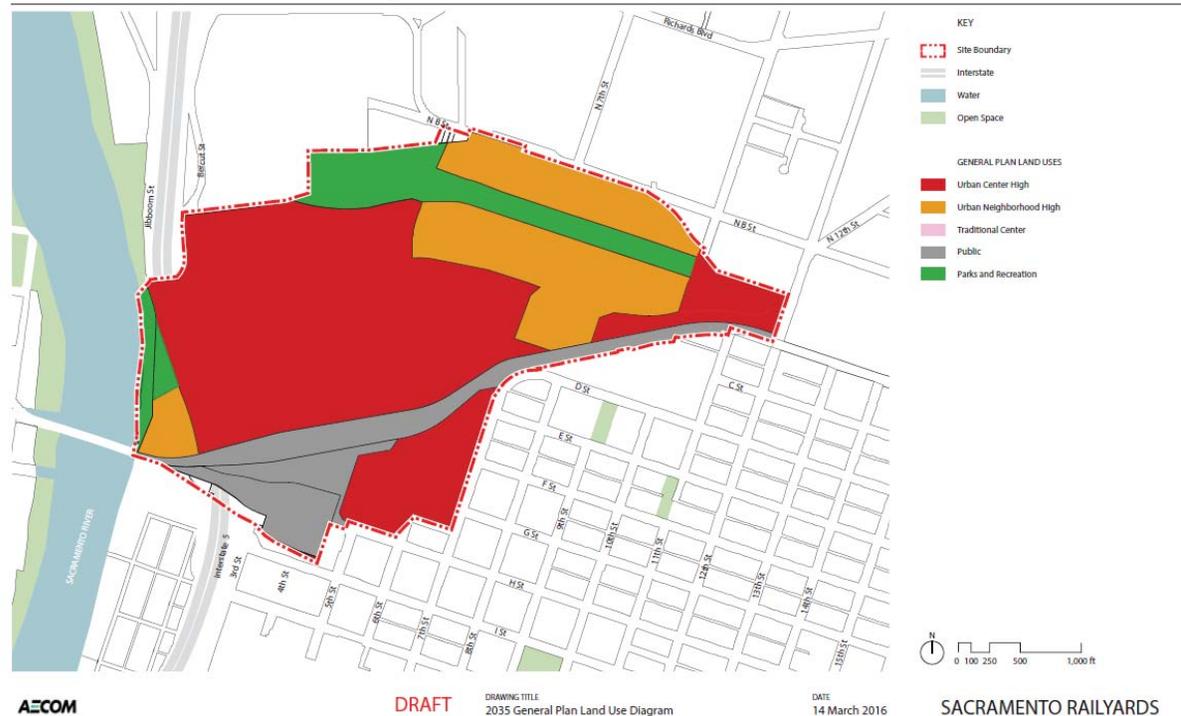
4) hearing at Director level for a final decision (however, if there are any legislative entitlements, a separate file and approval at Council is required before Director action), and 5) any appeal shall directly go to City Council.

Staff would recommend revising the Special Planning District to require projects in the Railyards be subject to Site Plan and Design Review in 17.808 and follow the process for how projects are reviewed citywide.

*General Plan Amendments*

Currently, the General Plan designations within the Railyards project area are Urban Center High, Urban Neighborhood High Density, Public/Quasi-Public, and Parks and Recreation. The current proposal includes amendments to the Downtown Sacramento Railyards project site to align with the new land uses which include a soccer stadium and hospital and reconfigured open spaces.

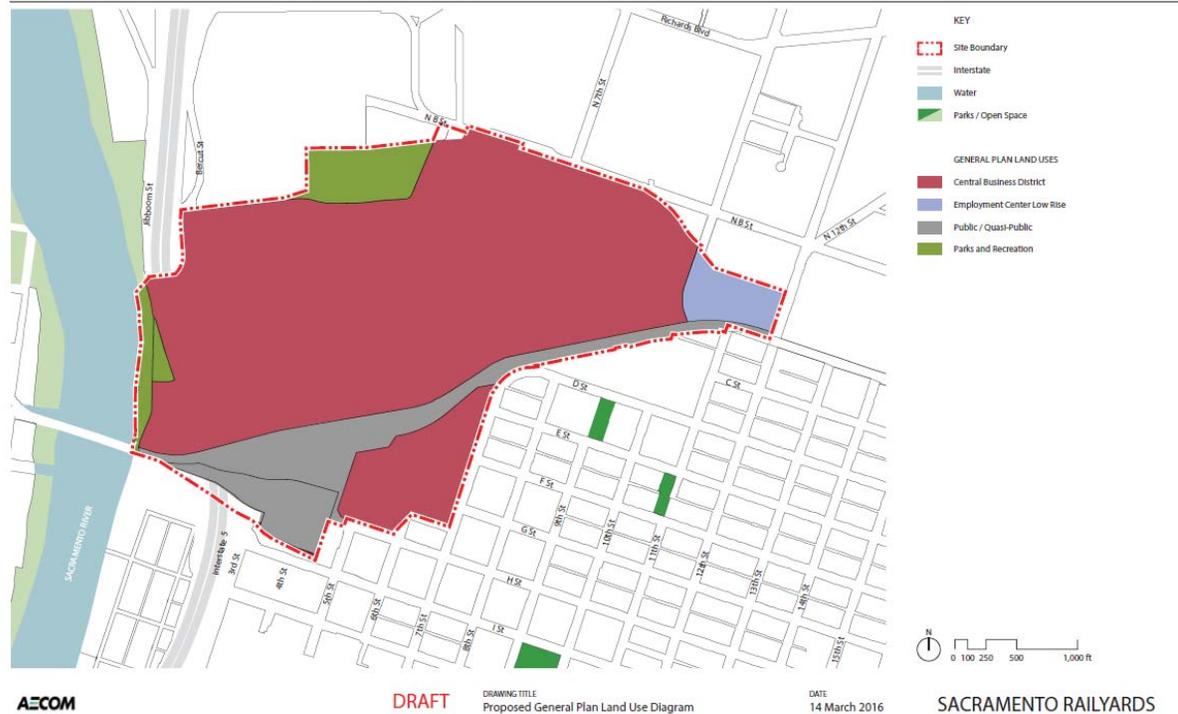
2035 General Plan Land Use Diagram



Staff recommends that a majority of the Railyards site be designated as Central Business District, consistent with the proposed Central Business District (C-3 SPD) zoning that is further explained later in this report. The Sacramento Valley Station and rail lines would continue to be designated as Public/Quasi-Public. Vista Park and the Riverfront area would continue to be designated as Parks and Recreation. Staff recommends the easternmost portion of the site between 10<sup>th</sup> and 12<sup>th</sup> Street be designated as Employment Center Low Rise to correspond to the proposed General

Commercial (C-2 SPD) zoning, to match the development standards of the adjoining parcel which is in the River District, and to ensure this block serves as an appropriate buffer with the adjacent Alkali Mansion neighborhood.

Proposed General Plan Land Use Diagram



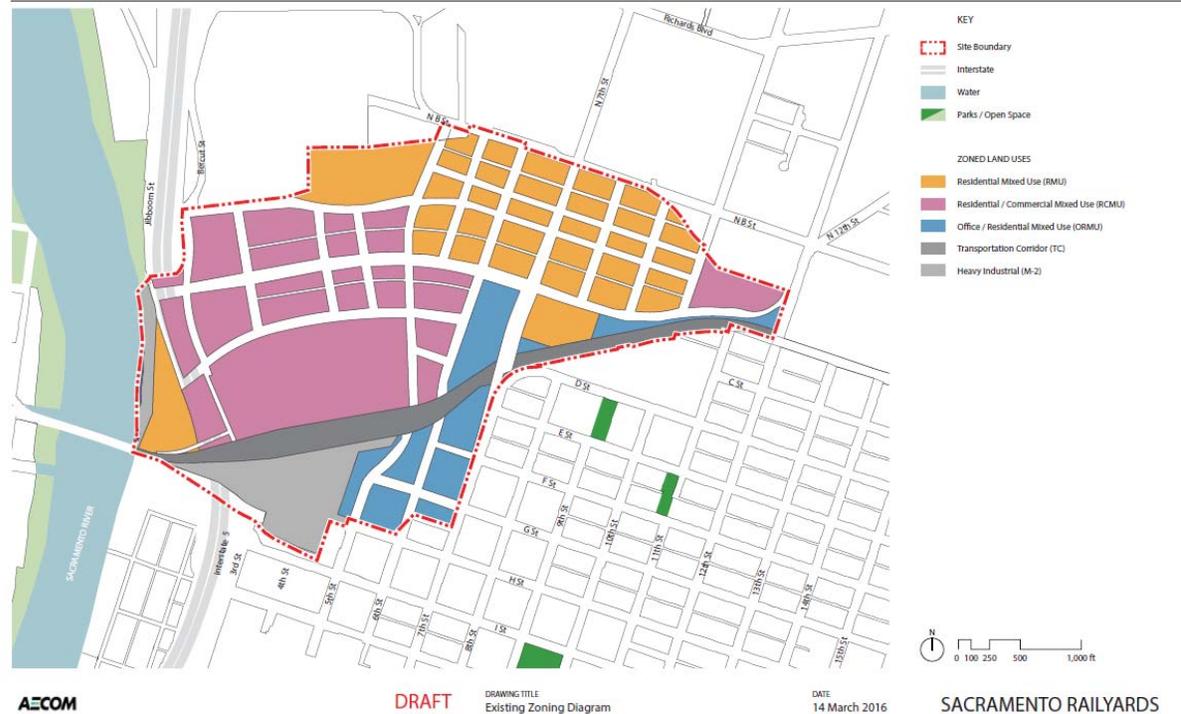
As noted in the chart below, the allowed density and floor area ratios would be increased with the General Plan Amendments. However, the Railyards Specific Plan will establish maximum development densities and intensities which may be below the maximums stated.

Table 2: General Plan Change Highlights		
<b>Designations Proposed to be Added</b>	<b>Density Range</b>	<b>Floor Area Ratios</b>
Central Business District	61-450	3.0 to 15.0
Employment Center Low Rise	NR	.15 to 1.0
<b>Designations Proposed to be Removed</b>	<b>Density Range</b>	<b>Floor Area Ratios</b>
Urban Center High	24-250	.50 to 8.0
Urban Neighborhood High	61-250	2.0 to 8.0

*Zoning Designations*

The current Railyards site has unique zoning designations. The RCMU (Residential/Commercial Mixed Use), ORMU (Office/Residential Use), and RMU (Residential Mixed Use) zones are only found in the Railyards area. The unique zones were established to provide the flexibility and allow a variety of uses planned in the area.

Existing Zoning Diagram



Since the approval of the Sacramento Railyards project, the Planning and Development Code was adopted and provides for more flexibility within zones used citywide. Rezoning the Railyards project would allow the use of typical zoning designations found in the downtown area which are compatible with the urban nature envisioned for future development. The zones proposed by staff for consideration include the Central Business District (C-3) zone, Hospital (H) zone, General Commercial (C-2), Limited Commercial (C-1), and the High Rise Residential (R-5) zone. There would be no change for the zoning of the rail lines which is Transportation Corridor (TC-SPD) or the city-owned Sacramento Valley Station which is Heavy Industrial (M-2 SPD).

## Proposed Zoning Diagram

Central Business District (C-3) Zone

The C-3 zone provides for the most intense residential, retail, commercial, and office developments in the city. The Railyards is contiguous to the downtown core and the continuation of the C-3 zone into the Railyards Specific Plan Area is consistent with the plans for development with intense urban uses. Additionally, the C-3 zone is one of the two zones in the city which allows the issuance of a conditional use permit for a “Sports Complex.” (The other zone is the Sports Complex (SPX) zone which is the designation for the current Sleep Train Arena in Natomas.)

Staff believes the C-3 zone is appropriate for a majority of the parcels in the Railyards which include the Major League Soccer (MLS) stadium and the Central Shops Historic District. The approved 2007 plan provided for unlimited heights in many portions of the site and permitted by right a wide mixture of urban uses. The approved plan, through the regulations with specialized zoning districts and flexible height standards, operated very similarly to the C-3 zone.

The intent with a rezone of a majority of the site to C-3 would be to continue to allow a wide range of urban uses, fold the site into the downtown core, and also continue to restrict heights as appropriate similar to the approved plan around the Central Shops and to add some height restrictions along the east portion of the plan as a buffer to the Alkali Mansion Flat neighborhood.

As part of the master level entitlements, the Planning and Design Commission will be reviewing the Conditional Use Permit and the Site Plan and Design Review entitlements for the proposed soccer stadium. These plans will be provided to the Planning and Design Commission at a future review and comment hearing.

### Hospital (H) Zone

The H zone is to provide primarily for medical-type uses, such as hospitals and convalescent homes, and group care facilities for the physically and mentally challenged; offices, laboratories, and pharmacies are also permitted.

Staff believes the H zone is appropriate for the proposed Kaiser Medical Campus. Most, if not all, the major medical facilities within the city limits are zoned H including the Kaiser on Bruceville Road, Mercy General Hospital, Sutter Midtown, and Shriners Hospital.

### General Commercial (C-2) Zone

The purpose of the C-2 zone is to provide for the sale of goods; the performance of services, including repair facilities; office uses; dwellings; small wholesale stores or distributors; and limited processing and packaging.

Staff recommends that the site on the east side of 10<sup>th</sup> Street have a General Commercial (C-2 SPD) zone. This is consistent with the adjoining parcel in the River District which is on the south side of North B Street and currently operating as SIMS metal recycling. By providing a consistent General Plan designation and zoning for this block bounded by North B, Railyards, 10<sup>th</sup>, and 12<sup>th</sup> Street, it will assist in future redevelopment of the site. Additionally, the reduction in anticipated intensity and height for this site is an appropriate transition and buffer moving east which abuts the Alkali Mansion neighborhood.

### Limited Commercial (C-1) Zone

The purpose of the C-1 zone is to provide for certain commercial establishments that are compatible with residential developments. This zone is intended to be applied to small lots that are surrounded by a residential neighborhood.

Staff recommends that the Vista Park site have a Limited Commercial (C-1 SPD) zone. This would allow small scale commercial within the park similar to the restaurant at Cesar Chavez Park across from City Hall. This type of business could be an asset to providing an active use in the park. It is still too early to predict how the park will be master planned in the future, but this zone provides flexibility to the future creative process.

### High Rise Residential (R-5) Zone

The purpose of the R-5 zone is to permit high density dwellings and limited commercial services serving the surrounding neighborhood.

Staff recommends the area south of North B Street, east of 5<sup>th</sup> Street, west of 7<sup>th</sup> Street, and north of Railyards have a High Rise Residential (R-5 SPD) zone. This area is across the street from Vista Park which will be a great recreational asset for future residents. It will also abut existing R-5 zoning in the River District on the north side of North B Street. This assists to focus density and create the sense of a neighborhood. Staff believes that by rezoning a portion of the Railyards site to high density residential, it will ensure that this area will be devoted to residential dwellings and encourage a better jobs/housing balance within the district.

### Transportation Corridor (TC) Zone

The purpose of the TC zone is to regulate land uses within, above, and below public agency transportation corridors to ensure that development is consistent with the general plan, and to provide uniform standards for development of ground rights and air rights within the corridor. The rail lines will continue to be zoned TC-SPD and no changes are necessary.

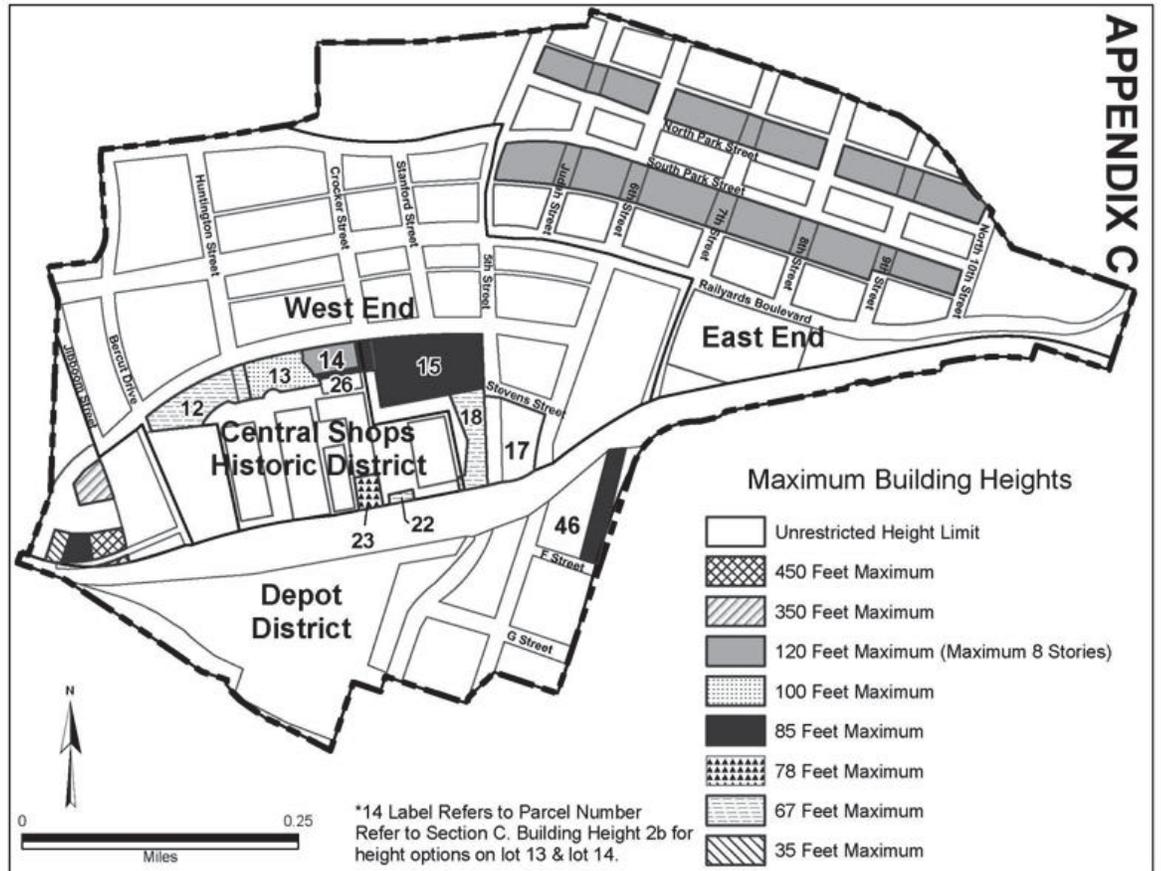
### Heavy Industrial (M-2) Zone

The purpose of the M-2 zone is to permit the manufacture or treatment of goods. The Sacramento Valley Station site, which is owned by the City of Sacramento, will remain as M-2 SPD and no changes are necessary.

### **Special Planning District Revisions**

As staff and the applicant team work together to update the Special Planning District, it is anticipated that the overall height restrictions, street wall heights, build-to lines, and parking standards will require further discussion as outlined below.

- a) Height limits: The existing Railyards Special Planning District has a maximum height exhibit as shown below. Most of the site is permitted to have unrestricted height with the most notable exception around the Central Shops Historic District and adjacent to the planned Box Car Parks leading into Vista Park.



The applicant has drafted a revised height restriction map as shown below. The areas noted with light and dark purple continue with unrestricted height limits. The areas noted in red have been limited to 120 feet in height to act as a buffer with the Alkali Mansion Flat neighborhood. The residentially zoned land next to Vista Park has been limited to 250 feet which is consistent with the adjacent River District area. (The River District height limit map has also been included in this report for background per the request of the Commission from our first Review and Comment session.) The Central Shops Area and the Riverfront Area have varying height limits from 35 to 450 feet as shown. Staff and the applicant will continue to refine this map as the project progresses.

Building Height Limit



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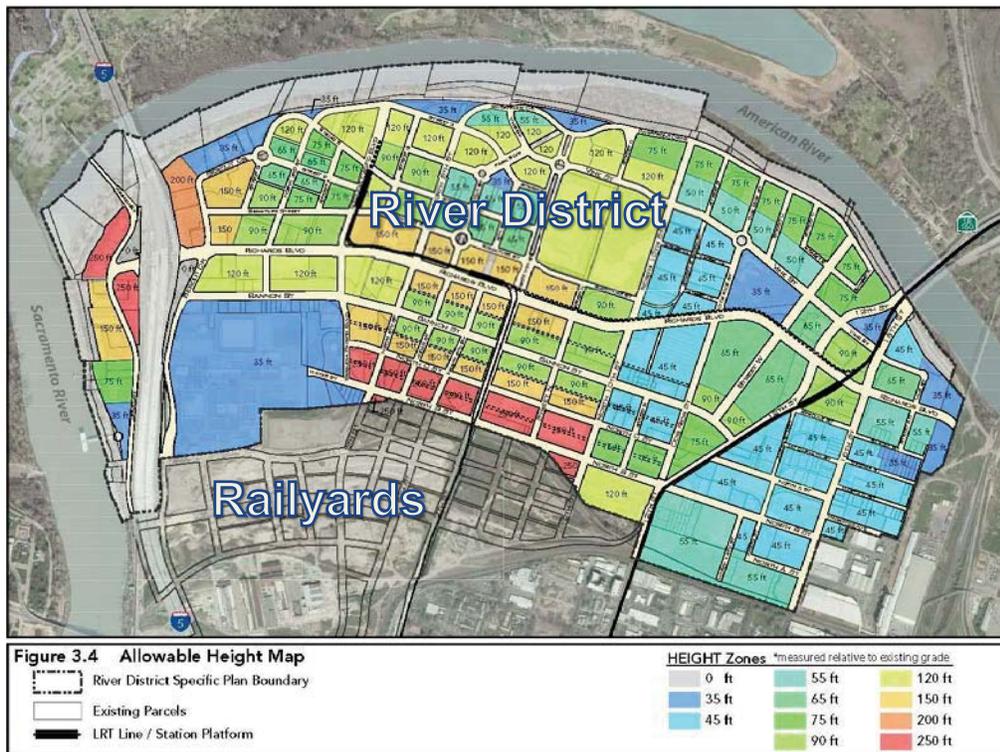
DRAWING TITLE  
Building Height Limit

DATE  
16 March 2016

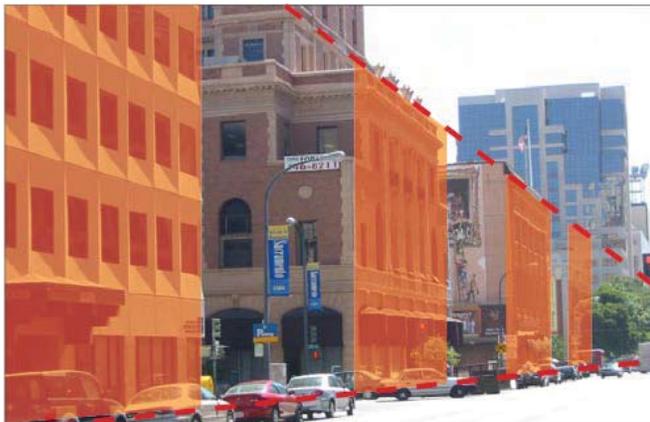
SACRAMENTO RAILYARDS

*Height Transitions with the River District*

Staff is reviewing the allowed heights in the River District area which is located to the north of the Railyards site. The River District Specific Plan and Special Planning District was approved in 2011 after the adoption of the Downtown Sacramento Railyards in 2007. The heights in the River District on the north side of North B Street between Sequoia Pacific and North 10<sup>th</sup> Streets have a 250 foot limit and then step down moving north to the American River. This transition was designed to better interface with the areas of unlimited heights in the Railyards Plan.



- b) Street wall heights: The existing Railyards Special Planning District also provides maximum street wall heights. With a few exceptions as noted below in the current city code text, many of the street wall heights are limited to a maximum of 85 feet. The Central Shops Historic District limits the maximum street wall height to the tops of the existing historic buildings and 60 feet along Camille Lane.



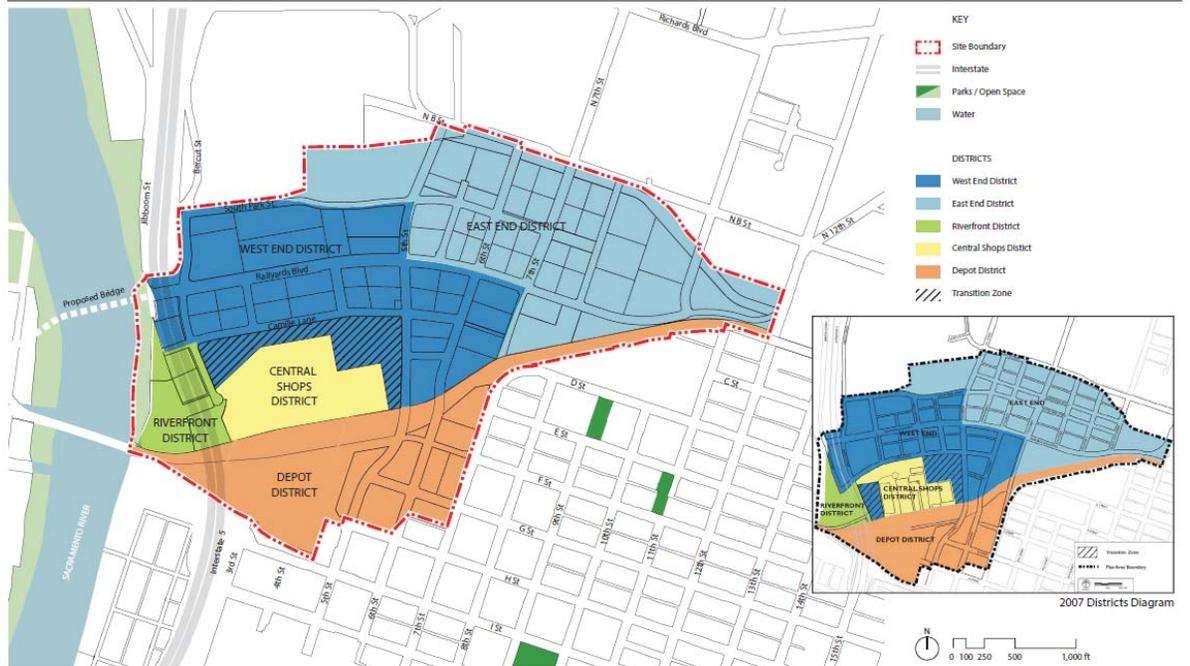
Highlighted Areas Depicting Street Wall Height

17.440.050 (B)(2) *Street wall height.* (See map below for District Boundaries)

- a. *Street wall height—Depot District. The maximum street wall height in the Depot District is 85 feet, with the following exceptions:*
  - i. *The maximum street wall height for buildings facing existing blocks outside of the Sacramento Railyards SPD is 60 feet, except buildings fronting H Street between 5th and 6th Streets have a maximum street wall height of 85 feet.*
  - ii. *The maximum street wall height of buildings fronting 7th Street between F Street and the railroad tracks is 35 feet.*
- b. *Street wall height—Central Shops Historic District.*
  - i. *The maximum street wall height in the Central Shops Historic District shall not exceed the tops of the historic Central Shops.*
  - ii. *Street walls along Camille Lane are limited to 60 feet.*
- c. *Street wall height—West End District. Street wall height in the West End District is limited to 85 feet, with the following exceptions:*
  - i. *Street walls along Camille Lane are limited to 60 feet.*
  - ii. *Street walls of buildings facing the Central Shops Historic District shall not exceed the tops of the historic Central Shops.*
- d. *Street wall height—East End District. The maximum street wall height in the East End District is 85 feet, except buildings facing Boxcar Park have a maximum street wall height of 60 feet.*

e. Street wall height—Riverfront District. The maximum street wall height in the Riverfront District is 85 feet or the maximum building height, whichever is less.

Specific Plan Districts



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DRAWING TITLE  
Specific Plan Districts

DATE  
14 March 2016

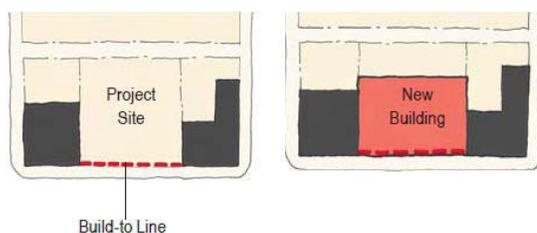
SACRAMENTO RAILYARDS

The applicant provided a draft plan showing revisions for maximum street wall heights to be included in the revised Special Planning District. Within the Central Core Design Guidelines for the downtown area, street walls are typically limited to between 65 and 85 feet. The proposed revisions to the Railyards SPD include changes that lower the maximum wall height in some areas to be consistent with downtown standards, and increase the wall height maximum in other areas such as the proposed hospital site where it buffers Interstate 5 and the water treatment facility. Staff and the applicant will continue to refine this map as the project progresses.



AECOM

- c) **Build-to lines:** The existing Railyards Special Planning District has minimum build-to standards as shown below where buildings are required to have zero lot lines. The intent is to ensure that buildings have a street presence and urban feel, particularly in areas where there are grade changes such as 5<sup>th</sup> and 6<sup>th</sup> Streets. Staff and the applicant have had some preliminary discussions and staff anticipates the applicant's request will be to reduce the minimum build-to requirements. For example, instead of a 95% minimum building-to line in the Depot District, the applicant may seek an 80% minimum standard. As staff and applicant work on future revisions to the SPD, more detailed information on these changes along with corresponding justifications will be provided. Minimum build-to lines should be flexible enough to allow for plazas, entry courts, sidewalk cafes, tree protection setbacks, etc.



17.440.050 (B)(1) *Build-to lines and building frontage.*

1. *Build-to lines and building frontage. Except as specified below in subparagraph b of this paragraph 1 for the Central Shops Historic District and subparagraph e for the Riverfront District, street walls and building frontages are permitted up to the property line or the edge of the public right-of-way. One hundred percent of the building frontage is permitted along the build-to line. Minimum building frontages at the build-to line are established as follows:*

a. *Depot District. A minimum of 95% of the building frontage shall be established along the build-to line.*

b. *Central Shops Historic District. Street walls and building frontages on parcel 14 shall be separated by not less than 30 feet from any historic structure located on parcel 26, as shown in Appendix C.*

c. *West End. A minimum of 70% percent of the building frontage shall be established along the build-to line.*

d. *East End. A minimum of 60% percent of the building frontage shall be established along the build-to line.*

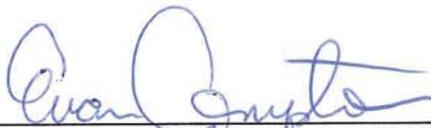
e. *Riverfront District. Buildings and structures shall be set back a minimum of 80 feet from the property line adjacent to the waterfront.*

- d) Parking – With the planned soccer stadium and hospital, the parking ratios for these land uses will be evaluated to determine if the Central Business District parking standards are adequate or if modified ratios are necessary. (In the Central Business District, there are generally no minimum parking requirements but offices/medical offices are subject to maximum parking ratios.) Given the nature of the uses and the urban project location, staff believes there will need to be a balance for how much parking is provided.

## **Conclusion**

Staff recommends the Planning and Design Commission pass a motion to initiate the changes to the Special Planning District and Specific Plan and to review and comment on: a) the general plan designation change from primarily Urban Center High and Urban Neighborhood High Density to Central Business District; b) proposed changes to the zoning designations to provide consistency with the typical zoning designations citywide; c) the proposed draft revisions to the height limits within the Railyards; d) the proposed draft street wall heights within the Railyards; and e) any other potential issues or concerns regarding the changes to the Special Planning District moving forward with the incorporation of a soccer stadium and hospital into the Downtown Sacramento Railyards site.

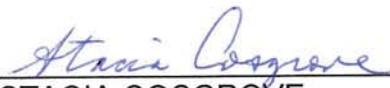
Respectfully submitted by:   
TERESA HAENGGI  
Associate Planner

Reviewed by:   
EVAN COMPTON  
Senior Planner

Recommendation Approved:

  
RICHARD RICH  
Railyards Project Manager

  
BRUCE MONIGHAN  
Urban Design Manager

  
STACIA COSGROVE  
Principal Planner

ATTACHMENTS

1. Statement of Initiation  
Exhibit A: Downtown Sacramento Railyards Boundaries
2. Summary from Review and Comment Hearing on October 22, 2015

Attachment 1: Statement of Initiation

**STATEMENT OF INITIATION**

**Amendments to the Downtown Sacramento Railyards Specific Plan  
and Special Planning District**

March 24, 2016

In accordance with the procedures for amendments of specific plans and special planning districts as set out in Section 17.904.020 and 17.400.030 respectively of Title 17 (Planning and Development Code) of the Sacramento City Code, the Planning Commission hereby initiates amendments to the Downtown Sacramento Railyards Specific Plan and Special Planning District.

After approval of this Statement of Initiation, it shall be filed with the Secretary of the Planning and Design Commission and thereafter a public hearing shall be noticed and held to consider the proposed amendments to the Downtown Sacramento Railyards Specific Plan and Special Planning District in accordance with the procedures specified in Section 17.812.

Exhibit A – Downtown Sacramento Railyards Boundaries

Exhibit A: Downtown Sacramento Railyards Boundaries

