

UNITE HERE



1804 Tribute Road, Suite K • Sacramento, California 95815
Telephone (916) 564-4949 • FAX (916) 564-4950

May 20, 2008

Sacramento Planning Commission
Jodi Samuels
300 Richards Boulevard, 3rd Floor
Sacramento, CA 95811

Dear Commissioner Baines,

We write to urge you to deny the request for a Special Permit granting Saca Development LLC discretion to build a condo/hotel project at 10th & J Streets (project #P05-205). While we do not object to the development of condominium units at this site, we believe enough questions hang over the hotel component of this proposal that a discretionary permit is inappropriate at this time. Instead, the Commission should insist on much more information from the applicant before permitting him the discretion to substitute a hotel for some portion of condo units.

The location of this project, at 10th & J Streets, could clearly benefit from redevelopment. However, basic questions remain unanswered about the hypothetical hotel at this site such as: Has the developer yet entered into a contract with a hotel management company? What level of service will the developer commit to delivering? Will it be a luxury property or a low-end economy lodge? These fundamental questions pertain both to the effects of the project on Downtown's hotel market, as well as to other basic planning concerns.

The current proposal is in many ways a "blank check" to make wide-ranging decisions about the character of the hotel component of this project. In effect it asks the Commission to trust Saca Development LLC to make the right decisions – whether to include a hotel at all, and if so, to determine what level of service it will be, and what customer base it will seek. These are all decisions that the developer proposes to make at a later date, without public input. To grant a Special Permit, however, the Commission should insist that the developer demonstrate a more rigorous degree of planning.

Section 17.212.020 of the Zoning Code requires that, to receive a Special Permit, the applicant must submit plans "in sufficient detail to allow the zoning administrator, planning director, or planning commission to *determine the exact nature and extent of the*

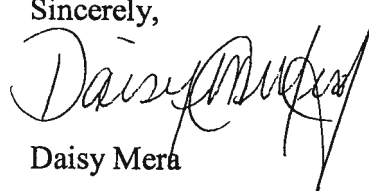
use” (emphasis added). This application does not meet this basic standard. Moreover, sound principles of land use require that the Commission have a thorough understanding of a project’s effects on the character of the surrounding neighborhood and its hotel market. Without knowing exactly what kind of hotel development this might be, the Commission is not in a position to make such an assessment. The interests of Sacramento are not well served if a developer is given such wide latitude.

The City of Sacramento has invested millions in taxpayer moneys to promote hotel developments around 10th & J Streets. These include the Sheraton Grand (where Local 49 represents 200 workers) and the soon-to-open Citizen Hotel. But with occupancy and room rates slipping, Sacramento’s hotels are increasingly sensitive to new additions. While new projects of a certain level of service (such as the Citizen Hotel) might provide the neighborhood with a much-needed boost, development of lower-end economy properties could depress room rates even further.

As you know, the applicant has a mixed track record in delivering on previous developments, particularly the Towers on Capitol Mall. This history underscores the importance of upholding a high standard of review for projects in the heart of Downtown, particularly in a difficult economic climate. The Commission should insist that the developer enter into a management contract with a hotel operator before it issues a permit for hotel development – so that it can properly assess the project’s effects on surrounding hotels. The Commission should further require as a condition of a Special Permit that the project meet certain levels of service, to ensure that unanticipated pressures (such as those that halted the Towers project) do not result in a development that harms the surrounding hotel market.

In light of these concerns, we urge you to deny Saca Development’s application for a Special Permit for a hotel use at this time. The application fails to meet the basic requirements of Section 17.212.020, and leaves too many questions unanswered to justify the Commission’s sign-off. Instead, we encourage you to direct the developer to come back to the Commission at a later time when the potential hotel component of this project has been more thoroughly vetted.

Sincerely,

A handwritten signature in cursive script, appearing to read "Daisy Mera". The signature is written in dark ink and is positioned above the printed name.

Daisy Mera