

**SACRAMENTO/WEST SACRAMENTO
WATERFRONT ADVISORY COMMITTEE**

AGENDA REPORT

MEETING DATE: April 24, 2006

SUBJECT: UPDATE ON THE DOCKS AREA REDEVELOPMENT PROJECT

INITIATED OR REQUESTED BY:

Council Staff
 Other

REPORT COORDINATED OR PREPARED BY:

Laura Sainz, Senior Project Manager (COS)

Leslie Fritzsche, Downtown Redevelopment Manager
City of Sacramento

ATTACHMENT Yes No Information Direction Action

RECOMMENDED ACTION

This is a presentation by staff and the developer on the status of the Docks Area Redevelopment Project. There are not actions requested.

BACKGROUND

In October 2005, the City of Sacramento issued a Request for Qualifications to determine developer interest in the Docks Area. The Docks Area is located in the City of Sacramento along the Sacramento Riverfront, north of the Marina/Miller Park, west of Interstate 5, south of Capitol Mall and east of the Sacramento River. On January 5th of this year, an Exclusive Right to Negotiate (ERN) was approved between the Redevelopment Agency of the City of Sacramento (Agency) and KSWM Docks Partners, LLC (KSWM) for the development of the Docks Area. Since the ERN was approved, Agency staff and the developer have completed a number of tasks in an effort to move forward with the redevelopment of this area.

Agency Activity

Property Acquisition

Staff has been negotiating with the two remaining property owners in the Docks Area, the State of California and the Pacific Gas and Electric Company (PG&E). The City is entering into a Memorandum of Understanding (MOU) with the State of California Department of Parks and Recreation in an effort to acquire or secure easements on all of the state parcels in the Docks Area. In addition, all of the remaining properties in the Docks Area, including the properties south of Pioneer Bridge needed for the riverfront promenade, are being appraised. These appraisals are expected to be received within a 45-day period. Following completion of the appraisals, staff will negotiate with PG&E for acquisition of its parcels(s) and with the property owners south of Pioneer Bridge for easements related to developing the promenade. Those owners include PG&E, ChevronTexaco and ConocoPhillips.

State Lands Commission Boundary Line Agreement (BLA)

Staff has met with the State Lands Commission in an effort to move forward with a BLA that will formally define the Commission's interest in the Docks Area, thereby clearing title on the remaining parcels. The BLA agreement is necessary in order to achieve the type of high density residential development identified for the Docks Area during the community planning process.

Pioneer Reservoir

The City of Sacramento owns and operates the Pioneer Reservoir as part of the downtown combined sewer-storm drain system. The Reservoir will have a significant impact on the future design of the Docks Area. The current facility and surrounding area is approximately five acres, which is a substantial portion of the 20 developable acres north of Pioneer Bridge. The Reservoir is in need of significant structural improvements.

Staff is in the process of evaluating options in terms of repairing the existing facility or building a new facility that would provide enhanced design and land use options for the Docks Area

The Riverfront Promenade

One of the basic tenets of both the 2003 Riverfront Master Plan and the Docks Area conceptual plans that were developed through an extensive community outreach process last year, was maintaining public access to the riverfront. This was partially addressed in the conceptual plan by the construction of a riverfront promenade that connects to the existing promenade at O Street and extends into the City of Sacramento Marina/Miller Park. Staff and the development team have been reviewing the feasibility of starting the promenade this Spring/Summer in an effort to maintain momentum in the area as well as begin to define the critical public aspects of the project. In addition, the City of West Sacramento is already in the process of designing its "River Walk." Ideally, the promenade in the Docks Area will complete one of the links in the "loop concept" between the City of Sacramento and West Sacramento identified in the 2003 Riverfront Master Plan.

Department of Toxic Substances Control (DTSC)

Staff has been meeting with the DTSC in an effort to review existing deed restrictions and other Brownfield related issues in the Docks Area. This spring, staff will bring forward for approval an Environmental Oversight Agreement between the City of Sacramento and the DTSC.

Developer Activity

Market Assessment

KSWM is working on a market assessment for the Docks Area to identify market demand and absorption rates for various types of development. This assessment will provide specific information related to the economic feasibility of community planning goals for a high-density, mixed-use project.

Concept Plans/Community Planning Process

KSWM began their due diligence by reviewing the 2003 Riverfront Master Plan and the conceptual plans developed during the 2005 Docks Area community planning process. In addition, the developer reviewed the infrastructure assessment, the Phase I and II Environmental Site Assessment and the draft facilities plan which were prepared to identify existing constraints in the area.

Schedule/Public Input

KSWM has prepared a schedule for moving forward with the final plan for the Docks Area. The schedule incorporates a number of opportunities for public input on the final draft plan in late summer of this year, including:

- A Community Open House;
- Presentation to the City of Sacramento Parks and Recreation Commission;
- Presentation to the City of Sacramento Planning Commission;
- Presentation of the City of Sacramento Design Review Board;
- Presentation to the Waterfront Advisory Committee; and
- Sacramento City Council approval of the final draft plan and preliminary business terms.

Once the schedule for the promenade has been determined, staff envisions significant opportunities for community input on the promenade's design. In addition, it is anticipated the public will participate in development design standards for the Docks Area development.

The next major milestones for the developer include completion of the final draft plan, completion of a preliminary pro forma based upon the final draft plan, and the presentation of the final draft plan to the public.

FISCAL IMPACT

This item is informational and there is no direct fiscal impact.

CONCLUSION

Staff respectfully requests that the Waterfront Advisory Committee hear staff and consultant presentations, as well as testimony from the public and provide feedback to staff and KSWM on progress to date and future action items.

ATTACHMENTS

1. Aerial View of the Docks Area
2. Conceptual Plan from 2005 Community Planning Process
3. Power Point Presentation



