

MINUTE ITEM
This Calendar Item No. 36
was approved as Minute Item
No. 36 by the State Lands
Commission by a vote of 3
to 0 at its 8/10/88
meeting.

CALENDAR ITEM

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08/10/88
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APPROVE AND AUTHORIZE THE EXECUTION OF A MASTER LEASE
WITH THE CITY OF SACRAMENTO
FOR A PERIOD OF 49 YEARS COVERING AN AREA
OF THE SACRAMENTO RIVER BETWEEN THE TOWER BRIDGE
AND THE PIONEER BRIDGE

APPLICANT: City of Sacramento
Attn: Solon Wisham, Jr.
915 "I" Street, Room 109
Sacramento CA 95814

BACKGROUND:

The City of Sacramento has for many years been involved in the designing and planning of development along the Sacramento River from the confluence of the American and Sacramento Rivers, downstream to the existing Miller Park Marina. The development was to include both upland development and water supported development. The current result of the City's efforts is the Old Sacramento Waterfront, the expanded Miller Park Marina and the planned development of the area adjacent to the Tower Bridge with an upland hotel and public dock.

The City also plans to create an area in the Sacramento River near the Tower Bridge that will serve as a site for tour boats, transient public boaters and other commercial boat traffic. The planned development is not to be used as a commercial marina but for short term mooring similar to the uses made of metered parking by an automobile.

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(ADDED 8/9/88 pgs. 263-263.19)

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CURRENT SITUATION:

The staff of the Commission has negotiated a Master Lease with the City of Sacramento covering the Sacramento River between the Tower and Pioneer Bridges. This Master Lease is based on the Master Lease previously approved by the Commission for the portion of the river adjacent to the Old Sacramento Waterfront. The Master Lease for the "Docks Area" contains the following basic terms:

LAND USE: Those uses consistent with the Public Trust and allowed by the "Docks" Master Plan.

TERM: Forty-nine (49) years with a beginning date of November 1, 1987.

RENT: Years 1 through 5 One Dollar (\$1) per year [This will allow the City time to recover the costs of public improvements to the area]. Years 6 through 25 twenty percent (20%) of the gross annual rent the City receives from all subleases. Annual rent for the remainder of the lease term from year 26 through 49 is subject to adjustment during year 25 of the lease.

STATUTORY AND OTHER REFERENCES:

- A. P.R.C.: Div. 6, Parts 1 and 2; Div. 13.
- B. Cal. Adm. Code: Title 2, Div. 3; Title 14, Div. 6.

AB 884: N/A.

OTHER PERTINENT INFORMATION:

1. This activity involves lands identified as possessing significant environmental values pursuant to P. R. C. 6370, et seq. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.
2. An EIR was prepared and certified for this project by the City of Sacramento. The

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State Lands Commission staff has reviewed such document and believes that it complies with the requirements of the CEQA.

The following significant environmental impacts were identified in the EIR, and have been mitigated as shown below. For each significant impact, the City of Sacramento adopted findings for the upland portion of the project (Exhibit "C") or it is recommended that the Commission adopt a finding for the river portion (Exhibit "D").

Impact 1. Parts of the project would not conform to the City's General Plan.

Mitigation 1. The developer must request and receive a General Plan amendment and a City Zoning Ordinance amendment prior to beginning construction.

Impact 2. The proposed project will change the visual character of the area. Some views of the Sacramento River would be blocked by structures included in the project.

Mitigation 2. The developer will be required to select building materials and finishes which are compatible with other developments in the area. The use of non-glare glass will be required. Buildings will be sited to protect southwest views of the river from existing buildings.

Impact 3. Known shipwrecks on the bed of the Sacramento River could be impacted by riverside construction and anchoring of piers.

Mitigation 3. Based on a detailed archeological survey at the project site, the project has been designed to avoid all known shipwrecks existing in the riverbed.

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Impact 4. The project will demolish existing structures on the site which have historical significance, and could disturb deposits of cultural material dating from the 1840's to the 1920's.

Mitigation 4. The developers will be required to develop a full photographic record of each structure, to be displayed in a visitor center constructed with materials salvaged from the demolition. Professional archaeologists will be retained to train construction crews, monitor all site activities, and recover artifacts exposed by construction.

Impact 5. The intersection of "O" Street and Front Street will have its level of service degraded significantly.

Mitigation 5. The intersection will be redesigned and rebuilt to maintain an appropriate level of service.

Impact 6. Construction activities will create a temporary increase in dustfall and TSP concentrations near the project site.

Mitigation 6. All construction contractors will be required to water down the site in the late morning and at the end of the day. More frequent watering will be required if the wind speeds exceed 15 mph.

Impact 7. The project includes development on or attached to the Sacramento River levee, which could affect the integrity of the City's flood protection system.

Mitigation 7. The project applicant will survey all existing levees in or near the project site to assess their current stability and integrity along the project's river frontage. All construction proposed on or adjacent to the levee will be compatible with its demonstrated structural capacity.

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- EXHIBITS:
- A. Land Description.
 - B. Site Map.
 - C. City of Sacramento's CEQA Findings.
 - D. CEQA Findings.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT AN EIR WAS PREPARED AND ADOPTED FOR THIS PROJECT BY THE CITY OF SACRAMENTO AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.
2. ADOPT THE FINDINGS IN CONNECTION WITH THE PROJECT HERETO ATTACHED AS EXHIBIT "C" IN COMPLIANCE WITH THE CEQA (PRC SECTION 21000 ET SEQ) AND THE STATE EIR GUIDELINES.
3. ADOPT THE FINDING CONTAINED IN EXHIBIT "D" IN COMPLIANCE WITH SECTION 15096(n) OF THE CEQA GUIDELINES, PROCESS FOR A RESPONSIBLE AGENCY.
4. AUTHORIZE THE ISSUANCE TO THE CITY OF SACRAMENTO OF A 49-YEAR PUBLIC AGENCY LEASE BEGINNING NOVEMBER 1, 1987; IN CONSIDERATION OF ANNUAL RENT IN THE AMOUNT OF ONE DOLLAR (\$1) FOR THE FIRST FIVE (5) YEARS, TWENTY PERCENT (20%) OF THE GROSS RENT FROM ALL SUBLEASES FOR THE NEXT TWENTY (20) YEARS WITH THE STATE RESERVING THE RIGHT TO FIX A DIFFERENT RENTAL FOR THE REMAINING OF THE TERM OF THE LEASE; PROVISION OF LIABILITY INSURANCE NAMING THE STATE AS AN ADDITIONAL INSURED, FOR THE CONSTRUCTION AND CONTINUED MAINTENANCE OF IMPROVEMENTS IN THE SACRAMENTO RIVER WHICH ARE CONSISTENT WITH THE PUBLIC TRUST FOR COMMERCE, NAVIGATION AND FISHING ON THE LANDS DESCRIBED ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF.

EXHIBIT "A"

LAND DESCRIPTION

W 21741

A strip of tide and submerged land in the bed of the Sacramento River, in the City of Sacramento, Sacramento County, California, described as follows:

Bounded on the north by the south line of the Tower Bridge, bounded on the east by the mean high water line along the seawall and levee on the left bank of the Sacramento River, and bounded on the west by the centerline of the Sacramento River. Bounded on the south by the north line of the Pioneer Bridge.

EXCEPTING THEREFROM any portion thereof lying landward of the ordinary high water mark of the Sacramento River.

END OF DESCRIPTION

PREPARED AUGUST, 25, 1987 BY BIU 1.

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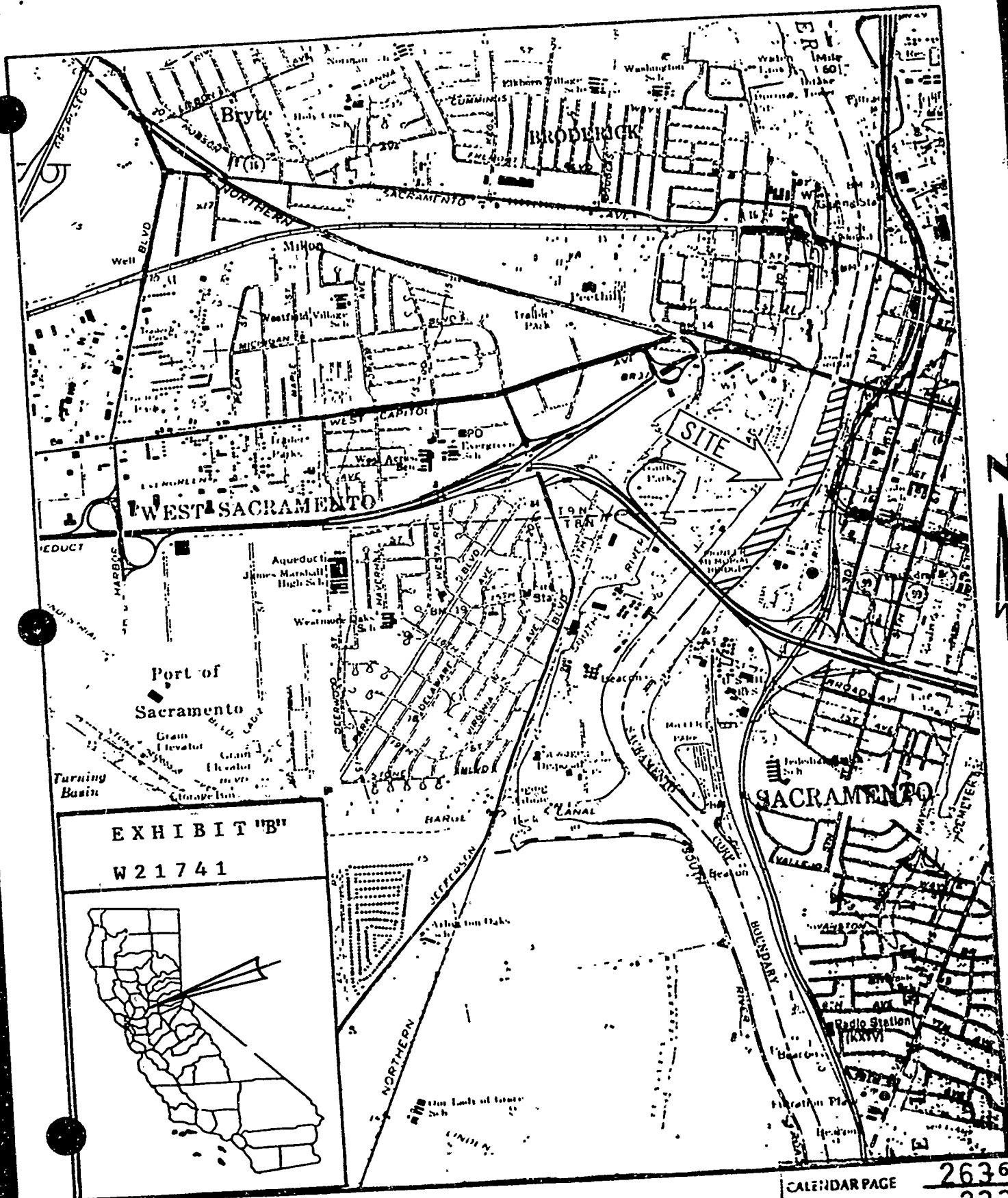


EXHIBIT "B"
W 21741

EXHIBIT "C"

RESOLUTION NO. 87-1034

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

December 15, 1987

ADOPTING THE FINDINGS ON THE FINAL
ENVIRONMENTAL IMPACT REPORT FOR THE
DOCKS PROJECT

WHEREAS, an Environmental Impact Report (the "EIR") on the Docks Project (the "Project") was prepared by the Redevelopment Agency of the City of Sacramento (the "Agency") pursuant to the California Environmental Quality Act (Public Resources Code Section 21000 et seq., hereinafter "CEQA") and the administrative guidelines thereunder, (14 Cal. Adm. Code Section 15000 et seq., hereinafter the "CEQA Guidelines") and local procedures adopted by the Agency pursuant to CEQA and the CEQA Guidelines; and

WHEREAS, notice to all interested person and agencies inviting comments on the Draft EIR was duly published in a newspaper of general circulation; and

WHEREAS, the Draft EIR was revised and supplemented in response to said comments, and the resulting Final EIR was prepared and submitted to the Council of the City of Sacramento (the "Council"); and

WHEREAS, after due notice, a public hearing on the Final EIR was held by the Agency on December 15, 1987, all interested persons present were heard, and the Final EIR and all comments and responses thereto were considered; and

WHEREAS, the Final EIR consists of the Draft EIR, as revised and supplemented, incorporating all such comments received and the responses of the Agency and the Council, and as of this date is made a part of the Agency's Report on the Docks Project; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF
SACRAMENTO:

Section 1: The above statements are true and correct.

Section 2: The Council has reviewed the EIR and evaluated all comments, written and oral, received from persons who have reviewed the Draft EIR.

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Section 3: The Council hereby makes the written findings set forth in Exhibit A, attached hereto and incorporated by reference herein, for each of the significant effects set forth in said Exhibit A, and further approves the statement of facts set forth in said Exhibit A. Based on such findings and statement of facts, the Council hereby finds that significant environmental effects have been reduced to an acceptable level in that all significant environmental effects have been eliminated or substantially lessened to an insignificant level, except that the development of the Docks Project as proposed would contribute to cumulative impacts, resulting in violations of the 8-hour carbon monoxide standards at the intersections of 3rd Street/Capitol Mall and 3rd Street/P Streets during the evening peak hour and unsatisfactory operation of the 3rd Street/P Street intersection during evening peak hours. Based on the foregoing, the Council finds and determines that the Docks Project will have a significant effect upon the environment.

Section 4: As to the significant environmental effects identified in Section 3 of this resolution which are not eliminated or substantially lessened, the Council hereby adopts the following statement of overriding considerations:

The Council hereby finds that, based on the findings and statement of facts set forth in Exhibit A, and based on the Final EIR and other information contained in the record, its action to approve and carry out the Docks Project is supported because the Docks Project will, in furtherance of the adopted redevelopment plan for the area, (a) eliminate blighting influences and correct deficiencies in the Project Area, such as inadequate parking; (b) provide expanded public facilities; (c) generate permanent private sector jobs; (d) provide \$849,000 of annual revenues to local government; (e) strengthen the economic base of the Project Area and the community by installing needed site improvements which will stimulate new commercial and public facilities expansion, new employment and economic growth; (f) assemble land into parcels suitable for modern, integrated development with improved pedestrian and vehicular circulation in the Project Area; (g) increase the visitor-serving facilities and other commercial use and availability in the downtown area; (h) implement performance criteria which assure high site-design standards, environmental quality and other design element standards which provide unity and integrity to the entire Project site; and (i) increase tourism to Old Sacramento and the Docks area by providing for tour boat landing facilities and short term berthing for pleasure boaters.

Section 5: In the event that it is determined that the significant effects identified in Section 3 are not mitigated or substantially lessened, the Council hereby finds that, based on the Final EIR and/or other information contained in the record, its action to approve and carry out the Docks Project is supported for the reasons specified in Section 4 of this Resolution.

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Section 6: Upon approval and adoption of the Docks Project by the Agency, the City Clerk of the City of Sacramento is hereby directed to file a Notice of Determination with the County Clerk of Sacramento County pursuant to the provisions of Section 15094(i) of the State CEQA Guidelines.

Ann Lucia
MAYOR

ATTEST:

Louaine Mayerson
CITY CLERK

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EXHIBIT A

FINDINGS ON SIGNIFICANT EFFECTS

1. Description of significant effect:

Land Use: The majority of the project will have to be changed through a zoning amendment or variance action to permit proposed uses.

The Council finds that as to such significant effect identified above:

- Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect thereof as identified in the Final EIR.
- Such changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by such other agency.
- Specific economic, social or other considerations make infeasible the mitigation measures or project alternatives identified in the Final EIR.

The fact supporting this finding is as follows:

Present M-1 (light industrial) zoning is a zone that has a great deal of flexibility with respect to types of uses. Proposed uses would be allowed through appropriate variance action.

This finding is supported by substantial evidence in the record of the proceedings before the Agency and Council.

FINDINGS ON SIGNIFICANT EFFECTS

EXHIBIT "A"

2. Description of significant effect:

Visual Quality: Visual character of project area would change. Hotel building would reinforce promenade effect on Capitol Mall.

The Council finds that as to such significant effect identified above:

- Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect thereof as identified in the Final EIR.
- Such changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by such other agency.
- Specific economic, social or other considerations make infeasible the mitigation measures or project alternatives identified in the Final EIR.

The fact supporting this finding is as follows:

This significant effect is positive and consistent with the general area improvement.

The project meets goals and policies of planning documents relating to visual issues for area.

This finding is supported by substantial evidence in the record of the proceedings before the Agency and Council.

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3. Description of significant effect:

Historic and Cultural Resources: Likely that the project site contains deposits of cultural materials dating from 1840's to 1920's.

The Council finds that as to such significant effect identified above:

- Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect thereof as identified in the Final EIR.
- Such changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by such other agency.
- Specific economic, social or other considerations make infeasible the mitigation measures or project alternatives identified in the Final EIR.

The fact supporting this finding is as follows:

Historical research depicts a number of building sites previously occupied. Developers of projects must retain an archaeologist to protect potential archaeological resources.

This finding is supported by substantial evidence in the record of the proceedings before the Agency and Council.

FINDINGS ON SIGNIFICANT EFFECTS

EXHIBIT "A"

4. Description of significant effect:

Traffic and Circulation: The proposed project would contribute to increased traffic volumes at all intersections analyzed.

The Council finds that as to such significant effect identified above:

- Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect thereof as identified in the Final EIR.
- Such changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by such other agency.
- Specific economic, social or other considerations make infeasible the mitigation measures or project alternatives identified in the Final EIR.

The fact supporting this finding is as follows:

Left turn storage pocket on Capitol Mall at hotel is made a part of developers plan. MORT staff has been encouraged to provide daily shuttle operations and is planning to provide stop at MORT site. Most other proposed mitigations are under jurisdiction of other public agencies.

This finding is supported by substantial evidence in the record of the proceedings before the Agency and Council.

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FINDINGS ON SIGNIFICANT EFFECTS

EXHIBIT "A"

5. Description of significant effect:

Air Quality: Construction activities would create a temporary increase in dust fall and therefore an increase in TSP near the construction site.

The Council finds that as to such significant effect identified above:

- Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect thereof as identified in the Final EIR.
- Such changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by such other agency.
- Specific economic, social or other considerations make infeasible the mitigation measures or project alternatives identified in the Final EIR.

The fact supporting this finding is as follows:

Any construction contracts must require watering in late morning and at end of day with frequency of watering increasing if wind speed exceeds 15 mph.

This finding is supported by substantial evidence in the record of the proceedings before the Agency and Council.

FINDINGS ON SIGNIFICANT EFFECTS

EXHIBIT "A"

6. Description of significant effect:

Noise: Construction activities would temporarily generate high noise levels intermittently over the period of construction.

The Council finds that as to such significant effect identified above:

- Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect thereof as identified in the Final EIR.
- Such changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by such other agency.
- Specific economic, social or other considerations make infeasible the mitigation measures or project alternatives identified in the Final EIR.

The fact supporting this finding is as follows:

All construction equipment and operations with a high noise potential must be muffled or controlled as feasible.

This finding is supported by substantial evidence in the record of the proceedings before the Agency and Council.

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FINDINGS ON SIGNIFICANT EFFECTS

EXHIBIT "A"

7. Description of significant effect:

Hydrology and Water Quality: Project would significantly increase amount of impervious surface thus increase run off of stormwater.

The Council finds that as to such significant effect identified above:

- Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect thereof as identified in the Final EIR.
- Such changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by such other agency.
- Specific economic, social or other considerations make infeasible the mitigation measures or project alternatives identified in the Final EIR.

The fact supporting this finding is as follows:

Developer would be requested to examine feasibility of constructing a separate stormwater discharge system. City is presently selecting a consultant to examine sea wall. PG&E will be developing mitigation plans for their site related to hydrology, water quality and other aspects.

This finding is supported by substantial evidence in the record of the proceedings before the Agency and Council.

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FINDINGS ON SIGNIFICANT EFFECTS

EXHIBIT "A"

8. Description of significant effect:

Police Services: The Police Department would require an additional 1.36 sworn officers.

The Council finds that as to such significant effect identified above:

- Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect thereof as identified in the Final EIR.
- Such changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by such other agency.
- Specific economic, social or other considerations make infeasible the mitigation measures or project alternatives identified in the Final EIR.

The fact supporting this finding is as follows:

Part of the increased general fund revenue from increased property taxes, sales taxes, and other public revenues could be used to partially offset the cost of officers and equipment as needed.

This finding is supported by substantial evidence in the record of the proceedings before the Agency and Council.

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PINDINGS ON SIGNIFICANT EFFECTS

EXHIBIT "A"

9. Description of significant effect:

Public Revenues and Fiscal Impacts: Proposed project would generate a capital shortfall.

The Council finds that as to such significant effect identified above:

- Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect thereof as identified in the Final EIR.
- Such changes or alterations are within the responsibility and jurisdiction of another public agency and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by such other agency.
- Specific economic, social or other considerations make infeasible the mitigation measures or project alternatives identified in the Final EIR.

The fact supporting this finding is as follows:

The capital shortfall would be balanced by the use of transient occupancy taxes and other revenues from the hotel and funds from the State of California.

This finding is supported by substantial evidence in the record of the proceedings before the Agency and Council.

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EXHIBIT "D"

CEQA FINDINGS

W 21741

This finding is made by the State Lands Commission pursuant to Section 15091, Title 14, California Administrative Code, on the proposed master lease agreement with the City of Sacramento covering development of tide lands between Tower Bridge and Pioneer Bridge within the City of Sacramento.

The City of Sacramento, acting as lead agency for the project, adopted findings for the upland portions of the project when they certified the final Environmental Impact Report. These findings are incorporated by reference, and are included herein as Exhibit "C".

For the portion of the project extending onto State tidelands, only one impact was identified in the FEIR.

IMPACT:

Underwater archaeological features, in the form of shipwrecks, have been identified along the Sacramento Riverfront, including the project area. Construction or the anchoring of mooring piers could damage these resources.

FINDINGS:

- 1) Changes or alternations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the final EIR.
- 2) Such changes or alternations are within the responsibility and jurisdiction of another public agency, specifically the City of Sacramento, and not the agency making the finding. Such changes have been adopted by such other agency or can and should be adopted by such other agency.

FACTS SUPPORTING THE FINDING:

Archaeological surveys over the past few years, done to federal standards, have identified many remains of Sacramento's historical waterfront, including several shipwrecks. These wrecks represent a valuable cultural resource that could provide both a linkage with Sacramento's past and information on shipbuilding methods from our early history. Construction at the water's edge, new pilings, and pier anchorages could permanently damage these fragile resources. In approving this project the City has required that all such construction be relocated so that all targets identified in the archaeological surveys be avoided. Due to the comprehensive nature of the survey, this mitigation will prevent any damage to the resource.

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