EXECUTIVE SUMMARY

To: City of Sacramento

From: HR&A Advisors, Inc.

Date: June 24, 2022

Re: North Sacramento Land Use and Historical Context Report

As part of one of the tasks of the Marysville – Del Paso Boulevard Action Plan (Action Plan), the City of Sacramento requested a report summarizing the history and development of North Sacramento—.

The research was guided by the following two questions:

- 1. Since incorporating North Sacramento into the City of Sacramento, what land-use and zoning measures have been taken by the City of Sacramento that either increased or helped to reduce concentrated poverty and inequities?
- 2. What changes to City of Sacramento land-use and zoning policies could help to support residents facing concentrated poverty and inequities?

While this report describes specific levers that can be used to address challenges within the North Sacramento area, ongoing project work will look more specifically at priority investments and/or recommended changes to City of Sacramento land use policies.

The Marysville – Del Paso Boulevard corridor suffers from long-term disinvestment, which has led to socioeconomic issues in the community such as job losses and business closures, high poverty rates, and unemployment. Real estate and infrastructural investment patterns from after the 1800s are still visible today throughout the North Sacramento area, which predate local zoning and the 1964 annexation into the City of Sacramento. As a result, the Marysville-Del Paso Boulevard corridor can be characterized as uneven with irregular land use patterns. For example, important infrastructures such as sidewalks differ widely in quality and form throughout the area based on when they were installed, and environmental issues such as the need for cleanup and remediation following the history of industrial use throughout the area increase the cost of reinvestment for current or would-be property owners. Today, vacant land and property are prevalent due to market constraints and demolition of deteriorating structures. Neighborhood residents continue to experience the impacts of concentrated poverty and ethnic/racial segregation that were produced by this area's development patterns. Furthermore, they are reinforced by the limited investment interest along the corridor which serves to prevent the full participation of area residents and businesses in the local economy.

Throughout the history of the Sacramento region, municipal, state, and federal funds have been directed toward some neighborhoods and away from others, including North Sacramento. Government-led initiatives such as development of highways and Urban Renewal led to major infrastructure and neighborhood investments that forced low-income and racial/ethnic minority communities into areas with rents that were affordable due to the old age and low quality of housing, long distance to employment centers, and more. Subsequently, policies such as redlining identified such neighborhoods as high credit risk — often on the basis of the race of those who live there — and banks denied loan applications from creditworthy borrowers simply because they live in those neighborhoods. These types of policies explicitly excluded certain communities from resources, infrastructure, and basic services that were available to more

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affluent residents and businesses that could have been used to improve homes, businesses, and quality of life; and in turn, concentrated poverty grew over time.

Diverse and inclusive communities strengthen our economy and support vibrant, livable commercial corridors that generate local jobs and celebrate community culture. In order to revitalize the corridor and better support diverse residents and businesses within a more resilient local economy, it is critical to address longstanding community disinvestment issues, such as the limited basic services such as transit and the lack of quality infrastructures like sidewalks, which together create and/or perpetuate poverty and inequity. While the City has made significant changes to its development standards and processes to incentivize development in the area, private investment still lags. Leveraging public investment to address barriers to private and community re-investment can attract new residents and businesses while retaining and providing resources to improve quality of life and enjoyment of the area for those who are here today.

While not the sole cause of these issues, zoning and land use patterns are important to analyze to accurately diagnose underlying challenges created for community members by the built environment. By isolating systemic disinvestment and reflecting on historic decision-making processes, local governments can solve longstanding community problems through targeted reinvestment in partnership with community members and in line with their priorities.

This report explores the connections between land use, zoning, development history and poverty or quality of life issues by highlighting previous planning decisions and trends relative to current conditions along the study area. The report begins with a description of the current state of the study area and highlights of the historical land use and zoning trends that have most impacted North Sacramento in the "Study Area Overview & Summary of Findings" section. The report then identifies the levers, tools, and strategies available to the City to address quality of life issues through land use and investment in physical improvements for resident, business, and civic priorities. Next, a historical overview and context is provided to help frame and provide an understanding of the various strengths and challenges of the area today. Finally, appendices are included which provide a snapshot of North Sacramento today, as well as supporting documentation for findings made throughout this report. Direct recommendations for priority investments and action along the corridor will be developed collaboratively through ongoing engagement and will be included within the final Action Plan.

Finally, an acknowledgement must be made that there are limits to this study scope. Specifically, this is not an all-encompassing in-depth review of all historical events or actions taken by the City of Sacramento which have impacted the development of the study area. Instead, this report's purpose is to highlight key land use factors that have impacted the current state of the North Sacramento study area, setting the stage for, and informing the forthcoming Action Plan.

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I. STUDY AREA OVERVIEW & SUMMARY OF FINDINGS

North Sacramento has been a center for agriculture, manufacturing, industrial commerce and community retail for over a century. Bounded on all sides by highways or railways, the neighborhood is physically separated from the rest of Sacramento, and much of the area hosts single family houses and racially linguistically diverse residents and businesses. Today, the Marysville and Del Paso corridor is home to a rich tapestry of local businesses and community organizations and continues to grapple with the legacy of aging infrastructure and buildings, closures of historic employment centers, and vacant properties and businesses.

The original land uses for North Sacramento pre-date local zoning ordinances and annexation into the City of Sacramento and laid a foundation for the built environment that is visible today. The neighborhood of North Sacramento began as Rancho Del Paso, a ranch for the rearing of horses. When a new railroad bisected the ranchland, industrial uses sprung up in and around the railroad tracks to take advantage of the new rail access to the Southern Pacific railroad. The result was uneven and irregular development patterns, which took advantage of the lack of planning and land use controls in the area.

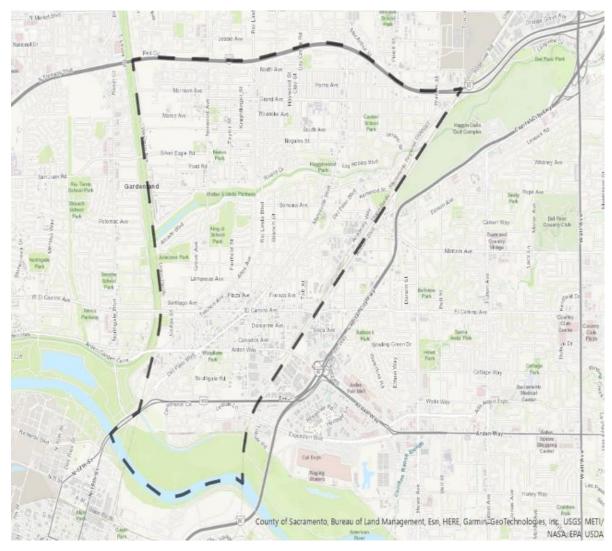


Figure 1. Study Area Boundary, generally bounded by: the American River (south), Interstate 80 (north), Steelhead Creek (west) and the Capital City Freeway (east). Source: US Census

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For the purposes of this report, North Sacramento is defined in **Figure 1**. The area is bounded by the natural and manmade barriers created by waterways and interstates following patterns left behind by the original land and rail lines. The types of businesses and institutions that have historically located in this area and remain on the original subdivisions sit atop the infrastructures and subdivisions created to support the historic industrial uses.

Major Events Affecting North Sacramento's Development Pattern

- Annexation of the City of North Sacramento into the City of Sacramento after the area was already developed without zoning regulations and development standards, and inadequate infrastructure;
- Late adoption of zoning has led to uneven and irregular development patterns;
- Physical and psychological separation from the rest of Sacramento due to highway construction;
- The interplay of zoning, racial covenants and generational poverty;
- Historic disinvestment in infrastructure has left an uneven financial burden on those looking to develop within North Sacramento relative to other areas of the City;
- Closure of McClellan Air Force Base

Much of North Sacramento was developed in the post-WWII era as single family residential and worker housing that still remains today.

While many neighborhoods in Sacramento and across the country benefited from loans and resources made available post-war to invest in new real estate, much of North Sacramento was developed to house immigrant workers and laborers supporting the industrial uses still active in the area. Post-war government programs and funds were provided to benefit primarily white individuals and families, while North Sacramento saw a large amount of its property subjected to either designation through redlining as high-risk investments that made difficult to secure a mortgage, racial covenants restricted the race/ethnicity or background of people who were allowed to purchase property. Areas closer to the downtown were designated as higher value, while areas to the

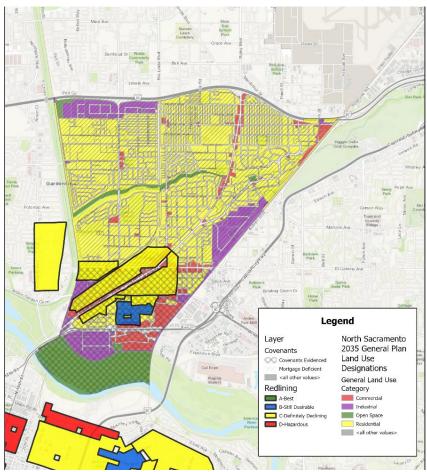


Figure 2. North Sacramento Land Use, Racial Covenants, and Redlining Boundaries

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north were designated as lower value due to the nature of people, properties, and businesses there.

It is within this context, that the neighborhood grew in size and the commercial corridor established in the 1940's and 1950's. Land uses and development patterns such as long blocks were shaped by the influence and popularity of the automobile at the time as well as a streetcar which ran along the corridor beginning in 1924 that helped to support residential and commercial land uses along the boulevard. With much of North Sacramento located in unincorporated areas of the County, the lack of development regulations of the county further exacerbated and exaggerated incompatible land uses and development patterns. Finally, highway-building was a significant influencer on the development pattern of North Sacramento beginning in the 1950's. Starting with the extension of a bridge across the American River which connected the area to downtown, the preceding years' highway projects acted to physically separate North Sacramento from the rest of the City. The first of these was the construction of State Highway 160, followed by Interstate 80 and finally the Arden-Garden Connector. Together with the railroad, these highways bound North Sacramento, making it inaccessible to anyone not arriving by an automobile and diverting traffic from the area.

North Sacramento's Major Barriers to Development

- Aging properties and building quality does not align with investment interests and capacity today;
- Inadequate infrastructure, much of which was built before North Sacramento's annexation into the City of Sacramento;
- High rates of land and property vacancy

Given the historic industrial and logistics uses in this area, the corridor has always been home to workers and businesses servicing automobiles such as mechanics or tire shops. However, due to the compounding effects of targeted disinvestment in this area, major infrastructure investments that limit connection to surrounding neighborhoods and to those without a vehicle, and more, North Sacramento faces significant economic challenges.

As shown in Error! Reference source not found, much of the North Sacramento area that was designated for industrial use or that housed non-white individuals and families has seen a dramatic increase in poverty rates over time. In addition, as shown in **Figure 4**, this increase aligns with the distribution of Black households throughout the area, who were subjected to redlining and racial covenant restrictions and unable to use home buying to build intergenerational family wealth through the primary means advanced by most Americans.

Throughout this report we will explore specific development decisions and policies over the decades, with a specific focus on the time period starting when the area was annexed into the City of Sacramento, their implications for local land uses, development patterns, and household poverty, and opportunities for the City to respond to improve quality of life.

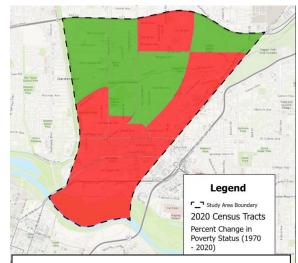


Figure 3. Percent Change in Poverty Status (1970-2020) where green-shaded areas represent reduction poverty and red-shaded areas represent increases during this time period. Source: US Census

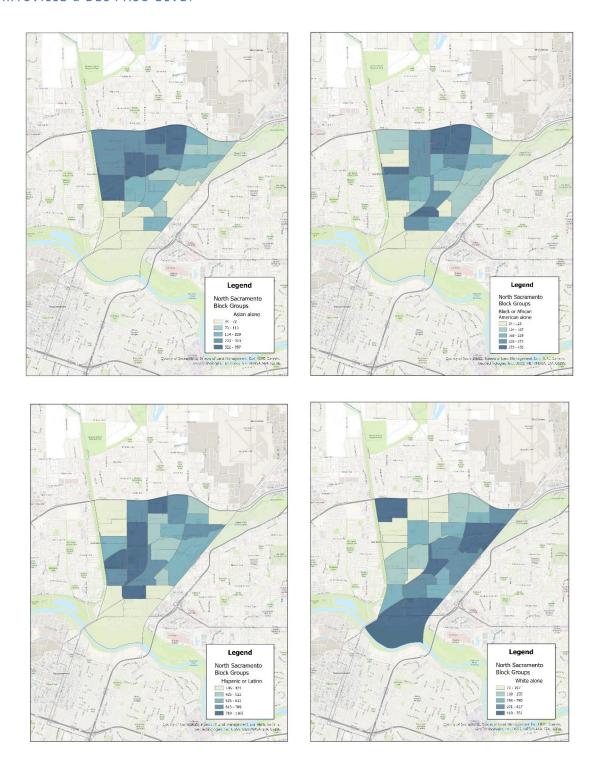


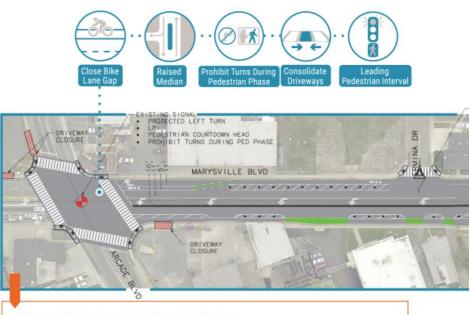
Figure 3. 2020 Race by Census Tract. Source: US Census. Note that there are concentrations of White populations in the southern-half of the study area in locations where restrictive covenants **(Fig. 13)** prohibited non-White populations.

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By addressing longstanding issues with the built environment that stem from North Sacramento's original development patterns, the City can build on local strengths and address community challenges.

Strengths. Located adjacent to and just north of Downtown Sacramento, North Sacramento is well-positioned to take advantage of the growth and redevelopment occurring nearby. With excellent access—both in terms of highways, rail and light rail infrastructure—the area is well connected to other destinations throughout Sacramento. Primarily developed prior to the 1960's, the area has a rich history and an architecturally interesting building stock that recalls historic institutions with redevelopment potential, such as the Grand Theater project on Del Paso Boulevard. Additionally, North Sacramento is home to many unique businesses that are locally-owned and, as a result, have deep ties to the community.

Challenges. At the same time, the existing conditions in North Sacramento also present challenges for development and redevelopment in the Irregular area. land patterns, lot dimensions and shapes of blocks that were created prior to annexation into the City of Sacramento, have not historically conformed to existing zoning standards and discourage development projects that are not permitted as-of-right. Compounding the challenges and costs of developing in the physical area, the infrastructure is both aging and substandard. Despite City interventions in the last few decades, the need for infrastructure improvements still exists in many areas of the North Sacramento study area today. While not part of this study, an in-depth analysis of historic infrastructure investment and current capital needs in the study area may be necessary to get a clear picture of outstanding needs.



Marysville Boulevard/Arcade Boulevard Queues

During peak hours, drivers use Marysville Boulevard and Arcade Boulevard between I-80 and the Arden-Arcade neighborhood. Therefore, there is a large southbound left-turn volume (595-vehicles) during the AM peak hour, and a large westbound right-turn volume (575-vehicles) during the PM peak hour. The southbound left-turn queue currently spills out of the available storage length of the turn pocket during peak hours, and this condition could be exacerbated by the recommended road diet. However, the recommendations also include the extension of the southbound left-turn lane to 750-feet, which would include restricting the Marysville Boulevard Boulevard/Ermina Drive intersection to right-in/right-out access only. The resulting maximum peak hour queues are shown in Appendix B.

Marysville Vision Zero Top 5 Corridor

Figure 5. Proposed infrastructure investments for the Marysville/Arcade Boulevard as part of the City of Sacramento's Vision Zero Plan. Source: City of Sacramento

Additionally, a large portion of North Sacramento's land

area was historically used for industrial as well as other uses requiring remediation and as a result, present current environmental challenges. Finally, there is a vast amount of vacant land in the area that requires a disposition strategy to bring necessary investment and amenities to the area.

II. LEVERS FOR ACTION

The City can improve socio-economic outcomes and quality of life through the use of its five levers for action. While the socio-economic and physical challenges are significant, the City has tools at its disposal to invest in physical improvements that can begin to encourage new investment and redevelopment. Many of the challenges that currently exist in North Sacramento are the result of decades of historic disinvestment in capital investment and land use decisions that pre-date annexation of North Sacramento into the City of Sacramento. By reinvesting in communities, properties, and neighborhoods that have been left out of the economic growth and expansion where others have benefited, the City can increase the vitality of the Marysville – Del Paso commercial corridor and establish a more equitable foundation for all to participate in and enjoy the local economy and community culture.

These five levers — capital investment, zoning authority, incentives, subdivision authority, and vacant land disposition — represent types of action available for the City to consider within its plans for reinvestment in North Sacramento. When leveraged together, actions within each of these areas can bring about transformative change.

Capital Investment.

Capital investment, particularly government investment in physical infrastructures such as streets, sidewalks, utilities, and transportation services, can be used as a tool in order to jump start private investment. Public investment is effective in promoting private development because it may decrease the financial burden of new development and signals to private property owners that a particular area is being maintained and enhanced. Prioritizing that investment, especially along highly visible corridors, can encourage private property owners to do the same with theirs.

Portions of the Marysville-Del Paso Boulevard lack high quality capital infrastructure, and prolonged disinvestment continues to strain local residents and make the area less comfortable for walking or safe for families. Capital reinvestment in local infrastructure can improve the everyday experience for those who rely on public infrastructure and improve the quality of the pedestrian experience.

Aware of these infrastructure needs, the City has begun analyzing the study area to identify various opportunities for investment to address some of the deficiencies in infrastructure. By way of example, the City initiated a study to identify the top five corridors with the highest number of collisions, with Marysville Blvd. among them. As a result, various improvements such as bicycle facilities, pedestrian crossings, and signalization improvements, are proposed to make the corridor safer for pedestrians, cyclists and motorists. Additionally, the City recently completed an Infrastructure Needs Assessment for Del Paso Boulevard in December of 2021. This study identified various infrastructure improvements to support the development of various catalyst sites. The recommendations focused on improving sewer, drainage, utilities and streets to aid in this effort. Finally, beginning in Fall 2022, the City of Sacramento Department of Public Works is creating an Active Streets Plan for North Sacramento. This Active Streets Plan will identify community concerns and develop a list of improvements to make biking, walking, and accessing transit easier and more comfortable for residents. Implementation of the projects identified by the Infrastructure Needs Assessment and other studies, particularly through the inclusion in the City's Capital Improvement Program and/or other resources, can bring about transformative change for North Sacramento.

Last, capital investment by the City can also defray the cost of investing in private properties to encourage investment by private parties and households. Today along the corridor, the City in some cases requires significant upfront investment to improve infrastructure that front the property such as curb, gutter, sidewalks, sewer and flood mitigation. There are also Federal and State requirements to address historical issues such as remediation of brownfields and environmental pollution. Lowering some of these costs would make it easier for private and institutional investors to purchase and renovate or develop properties in the area.

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Zoning Authority.

Zoning is one of the City's most powerful tools because it can be used to both prohibit and require or promote the types of development desired for the study area. On the prohibition side, regulation can be used to "zone out" particularly problematic or undesirable land uses over time. Alternatively, zoning can be used to promote more desirable outcomes, such as improved design or flexibility in dimensional requirements to encourage redevelopment in the area. Additionally, updating zoning regulations on a regular basis is necessary in order to keep pace with changes in market conditions. It is important to note that changes in zoning only apply to new development or if there is a change of use of an existing development. Existing developments or businesses can continue to operate as non-conforming uses, even if the allowed zoning changes.

North Sacramento has historically been the location for industrial land uses. However, over time, economic conditions have changed not only in Sacramento, but also nationwide which has seen a shift from a manufacturing to a service-based economy. Currently, industrial uses cover approximately 4,800 acres or 9 percent of the City of Sacramento. In seeking to retain valuable industrially-zoned property, careful consideration of zoning regulations which will allow for the redevelopment of industrial areas to increase the productivity of large swaths of land within the study area is vitally important.

Besides industrial land uses, the most common land use in North Sacramento is residential which makes up approximately two-thirds of the total study area (Figure 31). To help support the existing businesses along Marysville-Del Paso Boulevard and to help attract additional quality retail amenities, the City can ensure that there are retail-supportive densities not only immediately adjacent to the corridor, but also in the surrounding areas. With much of the study area that is not immediately adjacent to the corridor zoned exclusively for single family residential, modest increases to density—3-story townhomes or 2-story apartments, for example—can substantially increase the demand for the commercial uses along Marysville-Del Paso Boulevard and promote greater housing choice for residents in the area. As is evidenced in these examples, density does not always need to be reflected in large-scale development, but instead can be incremental and smaller in scale.

The Community Development Department has been proactive in adopting zoning and land use policies which support incrementally higher density. As an example, the City has implemented various policies and strategies outlined in its General Plan and is bringing forward a Missing Middle policy agenda tentatively planned for the end of this year. Additionally, California legislation was recently passed, Senate Bill 9, which allows for up to four units to be developed on each lot throughout the state by right¹. However, the North Sacramento has still seen very little multifamily development.

It is important for the City to ensure that zoning changes are responsive to local concerns about possible gentrification and displacement of households or businesses as a result of zoning changes, and to collaborate with community members to ensure zoning actions benefit and do not harm those in the corridor today.

Incentives.

Another opportunity the City has to improve quality of life within the study is the use of incentives. Generally, incentives can be broken into two categories: non-monetary and monetary. Non-monetary incentives are complimentary to the City's zoning authority in that exceptions or bonuses can be offered to development that achieves or furthers goals identified by the City. By way of example, waivers of off-street parking requirements; enhanced density or flexibility in development standards are all ways that the City can incentivize development in a non-monetary manner in order to achieve broader policy goals. Additionally,

¹ Senate Bill 9 is a California state law that enables homeowners to split their single-family residential lot into two separate lots and build up to two new housing units on each.

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the City of Sacramento is currently finalizing the Housing Development Toolkit which will provide additional non-monetary incentives—such as ministerial approvals, density bonuses, and waiver of parking requirements near light rail—to promote infill and affordable housing.

Monetary incentives, on the other hand, are another way to bring about changes in the built environment. Sometimes in the form of grants, tax incentives or rebates, financial incentives motivate property owners more than land use incentives because they can make infeasible projects possible. Tax Increment Financing (TIF) is an example of one such incentive that the City used to promote redevelopment in the study area prior to 2012. Additional sources of funding besides those provided by the City include:

- Federal and State Resources, such as American Rescue Plan Act (ARPA) and HUD
- Sacramento Area Council of Governments (SACOG) Regional Transportation Funding for costeffective transportation projects.

Regardless, incentives are an invaluable tool as they promote, rather than require, changes in development.

Within North Sacramento, the careful use of incentives can support reinvestment in local properties by community institutions, businesses, and residents — or overcome high upfront investment costs that act as a barrier to investment today. Incentives can also act as a deciding factor to take action for would-be investors who have historically allowed buildings to remain vacant or land undeveloped. However, many cities make widespread use of incentives but do not attribute disbursement of incentives to significant investment in priorities such as affordable housing or to meaningful quality of life improvements for anyone beyond the site of direct investment. If incentives are leveraged to address land use and zoning challenges the City must take care to ensure that investment directly and transparently contributes to specific measures of community well-being.

Subdivision Authority.

The City can also use its subdivision authority to expand the impact of more targeted, specific public infrastructure enhancements made through its Capital Improvement Program (CIP). Because capital needs often outpace funds available through the CIP, it is important that private development pay its fair share in maintaining and enhancing the physical environment. The City can require robust public improvements in physical infrastructure through its street design requirements which are required during the platting process. An example of a tool the City currently utilizes to capture investment in public infrastructure through private investment are Development Impact Fees, which are used for parks, transportation, affordable housing, and other similar community needs.

Additionally, future street extensions, adequate right of way and pedestrian enhancements to make North Sacramento more walkable and safe to pedestrians are all within the City's subdivision authority. Overall, the subdivision ordinance should be fully utilized to capture private development's proportionate share of public improvements to help realize the vision for this area.

The physical improvements needed across North Sacramento are costly and those high costs may also discourage development in areas where the physical infrastructure is substandard, as property owners who want to redevelop their properties must take on that expense. Acknowledging this, the City can reduce its standards or waive its proportionate share requirements for public improvements to encourage infill development on private property. If proper adjustments are made to zoning regulations to permit the type of development property owners want to use their property for and the incentives are pulling the correct levers, development activity should begin to increase.

Vacant Land Disposition Strategy.

Finally, the City must have a coherent land disposition strategy, particularly for vacant or underutilized properties. Many times, these properties are situated in highly visible and valuable locations. Putting these valued assets into productive use where they equitably benefit the communities in which they are located should be a desired outcome.

North Sacramento has a number of vacant parcels (777 in total), including many along Marysville and Del Paso Boulevards (Figure 4). Identifying opportunities to leverage public properties to develop or support development of properties that can meet the needs of the local community can act as a catalyst for development of other adjacent parcels. Activation or temporary use of these vacant spaces can also increase access to parkland and open space and promote foot traffic to increases community safety and support local businesses.

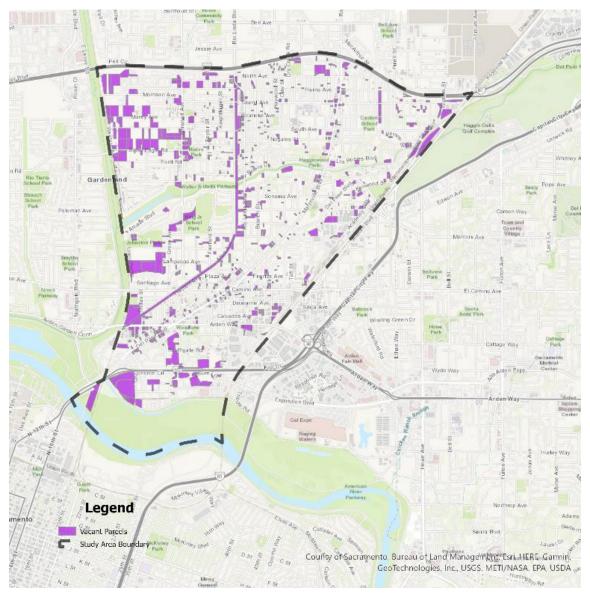


Figure 4. Vacant Land. This map demonstrates the number of parcels (777 in total) within the study area. Source: City of Sacramento

III. HISTORICAL CONTEXT AND IMPACTS TODAY

Sacramento is located on the ancestral Nisenan land (City and County of Sacramento). The history of the Sacramento area, and the people, is rich in heritage, culture, and tradition. This area was, and still is, the Tribal land of the Nisenan people. Sacramento was a gathering place for many local Tribes who have lived throughout the central valley and the foothills for generations and were the original stewards of this land. We would like to acknowledge the Southern Maidu people to the North, the Valley and Plains Miwok/ Me-Wuk Peoples to the south of the American River and we would also like to honor the Patwin Wintun Peoples to the west of the Sacramento River. We acknowledge that we are standing on the tribal lands of Sacramento's Indigenous people (SNACH, 2021).

The following section summarizes the major development and land use events over the last two centuries and can provide further context about North Sacramento and the challenges and opportunities the community faces today. It is important to note that while zoning and land use have played an important role in shaping North Sacramento, it is not solely responsible for the challenges the community faces today. As will be demonstrated in the preceding sections, North Sacramento's lack of planning and infrastructure investment—primarily prior to annexation into the City of Sacramento—has created unfavorable market, property, and infrastructure conditions

The historical context is broken into the following time periods:

- Pre-1800s: Original Settlement
- 1800s: Contact and Arrival of Settlers
- **1900 1940**: Economic Expansion
- 1941 1970: Changing Winds and Annexation
- 1971 1990: Economic Investment Returns?
- 1991 Present: Economic Downturn

ORIGINAL SETTLEMENT (PRE-1800s)

Key Takeaways: Original Settlement Time Period:

The land where North Sacramento sits today was once and still is home to Maidu and Nisenan Peoples, who cultivated and thrived for nearly 2,000 years

The land that would one day become known as North Sacramento was once home to the Maidu Peoples. For nearly 2,000 years, the Maidu were hunter gatherers who recognized the value of the well-positioned and fertile land along the river. Initial contact with the Native Peoples from White settlers occurred around the turn of the 19^{th} century when the Spanish were the first settlers who entered their land.

Followed by fur trappers in the 1820's, the newcomers brought blankets infested with smallpox germs which caused illnesses and death. When a major flood of the American River occurred in 1833, a severe outbreak of malaria was estimated to have killed between 50 and 75% of the Native population. Continued incursions of settler populations—particularly miners and farmers—severely disrupted the Maidu Peoples way of life. By the time John Sutter arrived in 1830's, the ways of life and culture of Maidu Peoples all but ceased to exist. The influx of Euro-Americans during the Gold Rush-era further reduced the population due to forced relocations and violent retribution from the miners for real or imagined affronts.

Today many Native Americans in the area are maintaining traditional cultural practices. Sometimes supported by thriving business enterprises, Tribal groups maintain governments, historic preservation programs, education programs, cultural events, and numerous other programs that sustain a vibrant culture (United Auburn Indian Community, 2022).

CONTACT AND ARRIVAL OF SETTLERS (1800s)

Key Takeaways: Contact and Arrival of Settlers Time Period:

- Agricultural legacy of the study area is established, as the original use was a horse farm; and
- The Central Pacific railroad bisects the study area

The agrarian legacy of North Sacramento led the area to be developed as neither fully urban or fully rural, while the railroad became the dominant feature around which North Sacramento developed.

The development history of North Sacramento begins in 1822 when the land on which North Sacramento today is situated was part of Spanish Land Grant (Del Paso Heights/Hagginwood Plan, p.4).

The strategic location of North Sacramento rose in importance when in 1839, John Sutter—who owned approximately 4 square miles of land including North Sacramento—established New Helvetia which eventually became downtown Sacramento (Figure 3) (p.4) With the establishment of Sacramento mere blocks to the south, this put North Sacramento directly in the path of future development.

In 1843, John Sinclair, Eliab and Hiram Grimes purchased a portion of Sutter's landholdings, which would eventually become Rancho Del Paso (p.4). In 1860, James Ben Ali Haggin and Lloyd Tevis purchased approximately 44,000 acres from Sinclair and the Grimes. Haggin—a horse breeder among other occupations—used the land as a horse farm. Original owners of the tract of land belonged to Haggin & Tevis who owned approximately 44,000 acres in total (Figure 4).

Benefiting from the Central Pacific railroad which ran diagonally through the site, Haggin's land possessed superior transportation access (**Figure 5**). In fact, in 1863, the railroad built a terminal on Haggin's land at



Figure 5. 1910 Plat of Rancho Del Paso. Note the site bisected diagonally by the railroad. Source: Calisphere

the modern-day intersection of Marconi and Auburn Boulevards (p.5). During the construction of the railroad from 1865 – 1869, as many as 20,000 Chinese laborers work on the Central Pacific Railroad, which ran from Sacramento to Promontory Summit, Utah, where it was united with the Union Pacific Railroad.

ECONOMIC EXPANSION (1900 – 1940)

Key Takeaways: Economic Expansion Time Period:

- North Sacramento transforms from an agricultural community into a predominantly single family residential community;
- North Sacramento is incorporated into its own city, the City of North Sacramento, in 1924
- Reinforced by the extension of the streetcar into North Sacramento, the Del Paso-Marysville corridor is established as a dominant development feature;
- Due to two incongruent development patterns, many irregular lots were created at their intersection along the Del Paso-Marysville corridor.

North Sacramento is plagued by irregular lot block and lot sizes, particularly abutting the Marysville/Del Paso corridor. Organized first around the railroad and second by the streetcar that ran along the corridor, the various shapes and sizes of blocks and lots create significant challenges for developers who prefer regularity.

The start of the century saw a decline in horse farming which was part of a nationwide trend away from agriculture and towards industrialization. As a result, the tract of land owned by Haggin & Tevis was sold to the Sacramento Valley Colonization Company and subdivided in 1910. As part of the Rancho Del Paso subdivision, the former horse farm was subdivided into 69 sections (Figure 5). Though they varied in size due to topographic or boundary constraints, the plots were approximately 1 sq. mi. (640 acre).

In 1911, the City of Sacramento purchased 828 acres for development to create what was called "West Del Paso Heights" which was part of the City of North Sacramento when it incorporated in 1924 (Figure 6). The West Del Paso Heights subdivision in many ways reflects the typical development pattern within the study area. As the North Sacramento Design Guidelines indicates, the resulting development that occurred during the early part of the 20th century was typified by residential lots of approximately 50 feet in width and 100 - 130 feet in depth. Homes developed on the lots were between 750 -1200 square feet (p.6). Sanborn Maps for North Sacramento in 1926 indicated the residential development was primarily single-family detached dwellings, with few multi-family structures.

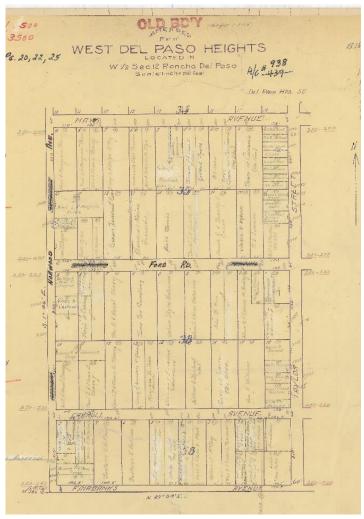


Figure 6. Plat of West Del Paso Heights. Note the lot widths and depths which were typical of North Sacramento developed through the 1940's.

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It was also at this time that industrial and commercial development began proliferate within North Sacramento. Historic records, such as 1926 Sanborn Maps or the Official City Map from 1915, demonstrate that many agricultural uses were located in the northern half of North Sacramento, outside of newer residential neighborhoods. Additionally, industrial uses located adjacent to the railroad transportation of products while development commercial located along Norwood Avenue, Rio Linda Boulevard and Del Paso-Marysville Boulevard corridors.

Along this corridor, much of the commercial development during this time was located between modernday Highway 160 and El Camino Ave. Besides retail and office uses, Sanborn Maps also indicated many auto-related uses such as car sales, gas stations and repair shops as well junkyards (identified as "industrial" in Figure 7) in the Del Paso-Marysville corridor vicinity. At a time when there was no comprehensive zoning in North Sacramento, such were permitted constructed without regard to overall conformity and compatibility with surrounding land uses.

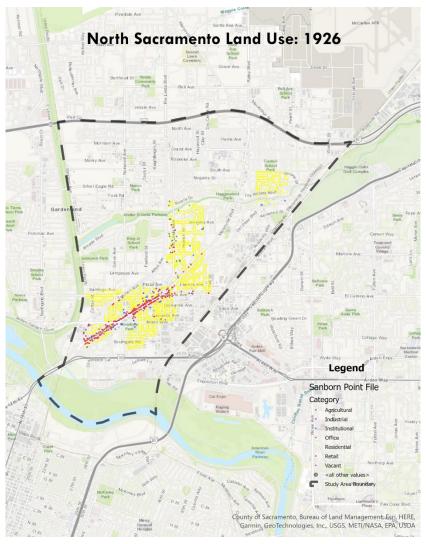


Figure 7. Locations of structures by land use in 1926. Auto-related uses such as car sales, gas stations and repair shops as well as junkyards were found in the vicinity of the Del Paso-Marysville Corridor and are indicated in this figure as "industrial" land uses. Source: Sanborn Fire Insurance Maps

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Observing the overall orientation of parcels and streets, the dominance of the Del Paso-Marysville corridor

is evident. Land which fronted the corridor was oriented to the street which runs southwest to northeast in North Sacramento (Figure 8). This represented a distinct break from the otherwise grid-like pattern which saw most of the other streets follow cardinal directions. As a result of this combination of diagonal and grid pattern development, when the two orientations intersected at Del Paso and Marysville Boulevards. multitude of triangular, irregularly shaped lots were created.

Development in North Sacramento was further spurred when, in 1924, a streetcar line was established on Del Paso Blvd reinforcing itself as the primary thoroughfare through North Sacramento (p. 12). This

provided an additional connection to Downtown Sacramento besides the 12th Street Bridge (**Figure 19**). It was also during this year that North Sacramento became its own City when it incorporated.

Finally, the last major influencer in the development of North Sacramento during this period occurred in 1936 with the opening of McClellan Air Force Base, then referred to as the Sacramento Air Depot. As the Del Paso Heights and Hagginwood Plan notes, the site of the Air Force base was sparsely populated and home to several family-operated dairies (Figure 10) (p.50). Approximately 2,600 acres in size, McClellan Air Force Base significantly influenced the surrounding land use of the area, as other supporting businesses sought to locate adjacent to the major employer and employment center (Figure 9) (Source: SACOG).



Figure 8. This map from the 1910 shows the parcellation and orientation of lots. Note how lots fronting Del Paso Boulevard are oriented to the street, demonstrating a distinct break from the N/S and E/W orientation of surrounding blocks. Source: City of Sacramento

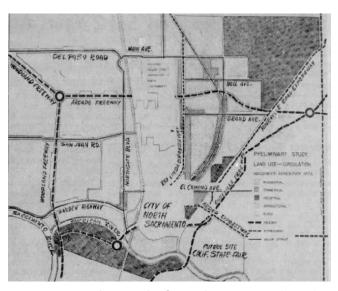


Figure 9. Proposed zoning plan for North Sacramento shows the magnitude of the AFB and its surrounding land use. Source: Sacramento Bee, via Newspapers.com

CHANGING WINDS AND ANNEXATION (1941 – 1970)

Key Takeaways: Changing Winds Time Period:

- The use of restrictive covenants to maintain North Sacramento as a predominantly White community;
- The annexation of North Sacramento into the City of Sacramento in 1964;
- Highway building of 160 and Interstate 80 reverses the economic fortunes of North Sacramento and physically separates it from the rest of Sacramento; and
- Adoption of a Comprehensive Zoning Plan by the City of North Sacramento in 1961.

The interplay of zoning, access to credit and racial covenants have had a tremendous impact on generational poverty in North Sacramento. Furthermore, the late adoption of zoning by the City of North Sacramento led to uneven and irregular development patterns. Finally, the era of highway building has left North Sacramento isolated from the remainder of Sacramento, both physically and psychologically.

The time period between 1941 and 1970 was marked by a series of significant changes which proved to have a negative impact on North Sacramento. Geopolitical, demographic, and physical changes converged during this time to dramatically affect the area in a detrimental manner.

At the beginning of this era, North Sacramento was almost entirely a White community. The 1940 Census shows that within the North Sacramento City limits, there was little development and population north of Las Palmas Avenue.

NOTH SARRANGO

Legend

1940 Enumeration
Districts
Population

Population

| Mail and | M

Figure 10. 1940 Population in North Sacramento by Census Tract showing City extents and overall population distribution. Source: US Census

Most of the population was concentrated within Enumeration District 34-4, bounded by El Camino Ave, Arden Way, Del Paso Boulevard, and the railroad tracks (Figure 10). Additionally, the data indicates that of the more than 6,000 residents within North Sacramento City limits, more than 98% were White. However, at the same time, the lack of zoning and land use controls proved problematic in the regulation of incompatible development.

Residential Security Maps from the Homeowners Loan Corporation (HOLC) support this indicating that neighborhoods in North Sacramento "...seemingly developed without direction". Further, the analysis by HOLC indicates that the neighborhoods, specifically those identified in their analysis as "Third Grade" (shown in yellow in **Figure 13**) or "definitely declining", have neither zoning nor restrictive covenants. That is not to say, however, that all neighborhoods were without restrictive covenants in North Sacramento. Notably, the neighborhood indicated as "Second Grade" (shown in blue in **Figure 13**) had restrictive covenants and Dr. Hernandez, in his Race and Place report, indicates that other census tracts in North Sacramento also had covenants in place (**Figure 11**).

Such was the complicated relationship between restrictive covenants, race, and housing opportunity. Neighborhoods that contained racial covenants had the means to keep out "undesirable" population and thus were racially homogeneous (Figure 12). They subsequently received a higher grade from the

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Homeowners Loan Corporation (HOLC) due to a perceived reduction mortgage risk—particularly loss of home value. The Federal Housing Authority (FHA) relied on this information when evaluating mortgage applications and thus were more likely to fund requests that were identified by HOLC as less risky.

On the other hand, neighborhoods without racial covenants were racially and ethnically mixed, representing significant housing opportunities for these populations. However, HOLC identified the "infiltration" of non-white populations as a credit risk and as a declining neighborhood. Without the supporting designation from HOLC, the FHA was less likely to approve mortgage applications and when they were approved, were more likely to contain unfavorable terms such as high interest rates. The lack of funding or less favorable terms, itself, resulted in declining property values.

In fact, many of Sacramento's neighborhoods were identified as declining, as <u>Mapping Inequality</u> demonstrates that 65% of neighborhoods received these designations. Notable exceptions were City of Sacramento's west end

(between the State Capitol and the Sacramento River)—home to the majority of the City of Sacramento's non-white population—received а "hazardous" designation while the Swanston Park area (between Riverside Blvd and Land Park Drive and north of the Sacramento Zoo) completely white neighborhood received the highest grade. Such covenants became problematic when North Sacramento began seeing a

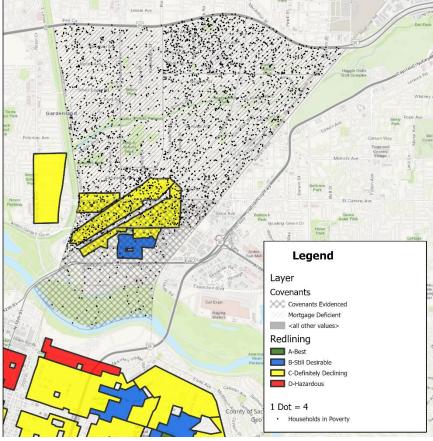


Figure 11. Redlining data from the Home Owners Loan Corporation (HOLC), 2020 households in poverty, and racial covenants and mortgage deficiency.

Note the overlap in the "second grade" neighborhood and evidence of covenants. As described in this report, residential security grades and racial covenants go hand-in-hand. The more restrictive a neighborhood was through zoning and racial covenants, the more likely it was to receive a higher quality grade.

Sources: Redlining Data from <u>Mapping Inequality</u>; Covenants & Mortgage Data from Dr. Hernandez's Race & Place Report, Poverty data from US Census

demographic shift in population, becoming more African American in the 1950's and 1960's due to recruitment efforts by the S. Pacific Railroad (Hernandez, 23). Covenants acted to limit access to certain neighborhoods while those that lacked the restrictions could not access credit.

Figure 11 demonstrates the relationship between access to credit and redlining. Neighborhoods receiving lower grade designations were racially heterogeneous but lacked access to credit. Restricted neighborhoods—those that prohibited racial and ethnic minorities—had more access to credit.

At the same time, the City of Sacramento was also changing dramatically. Successive annexations in 1947, 1950 and 1962 had the effect of surrounding and landlocking North Sacramento (**Figure 21**). Nationally the use of Housing Acts of 1949 and 1954 saw the widespread use of slum clearance to displace minorities. Locally, the story was no different. In 1954, the City proposed the use of taxpayer funds for slum clearance

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through Proposition B. Though it failed to garner adequate voter approval, the City, using the first known instance of a Tax Increment Financing (TIF) District, acquired the property in question and demolished it without the voters' support.

The combination of annexation, slum clearance, and in-migration spurred significant population growth in North Sacramento. The 1960 Census indicated that between 1950 and 1960, the population grew 114% and saw its non-white population increase to 3.7% of the City's total population.

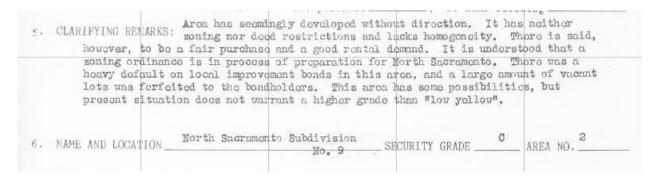


Figure 12. Example description of a neighborhood received a "C-grade" from the Home Owners Loan Corporation. **Source:** Mapping Inequality

But perhaps the most impactful events on North Sacramento began in the 1950's when the region entered the highway building stage. In 1955, State Highway 160 was built, which bisected North Sacramento. Then, in 1964 Interstate 80 was extended through Sacramento (AA Roads). As a result, the construction of these highways had the effect of diverting traffic out of North Sacramento and separated the area physically, economically, and psychologically (Del Paso and Hagginwood Plan, p. 56). Not only was North Sacramento surrounded by the City of Sacramento, but it was also bound to the north and south by highways and to the east and west by railroads. As the Northeast Line Light Rail Stations Plan noted, this signaled the beginning of the area's economic decline. (p.14)

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In 1961, the City of North Sacramento adopted a comprehensive Zoning Plan for the incorporated city (**Figure 14**). When compared to the extents of development in 1950, the tremendous growth which took place during this time is evident and reinforced by the fact that much of North Sacramento's housing stock today was built during this period. As highlighted by a memo (**Figure 37**) prepared in 1967 from the Sacramento City Attorney's Office to the then-Planning Director, the late adoption of land use controls by the City of North Sacramento created many nonconformities, as much of the area was developed by this time.

A review of historic land use actions by the City of Sacramento that date back to the 1960's indicates the nonconformities in North Sacramento ranged from those that were dimensional in nature—not meeting setbacks or lot size standards, for example—to uses. Examples of nonconforming uses in the area include: junk storage, wrecking and dismantling yards, auto storage, and junk cars. Additionally, there were multiple instances of rezoning applications approved by the City of Sacramento that rezoned single family residential property to manufacturing despite it abutting other residentially-zoned property.

Also of note in the City of North Sacramento's Zoning Plan was the dominance of single-family zoning, with relatively little land area designated for multi-family residential. Furthermore, much of the southern half of North Sacramento as well as the northwest corner was zoned industrial, as it persists today.





Figure 13. Historical images of Del Paso Boulevard. Source: Northeast Line Rail Plan, p. 14

Annexation

Finally, in 1963, the City of North Sacramento, after being completely landlocked by the City of Sacramento, was annexed into the City. When Sacramento and North Sacramento were subsequently consolidated in 1964, the Sacramento Bee noted in its press coverage of the event noted that the annexation was hotly contested, with petitions filed opposing the annexation.

With the City of North Sacramento having only recently adopted zoning in 1961, the City of Sacramento's annexation of the area meant that it was accepting an area that suffered from decades of unplanned growth and development. Not only did North Sacramento present challenges in zoning and land use, but also from substandard infrastructure development. The lack of uniform public infrastructure standards and deferred maintenance meant that the City of Sacramento was inheriting these challenges that were decades in the making.

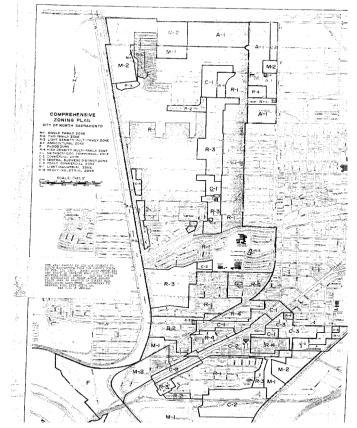


Figure 14. 1961 North Sacramento Zoning Map. This map indicates the zoning designation for properties within the incorporate City boundary at that time. Source: City of Sacramento

ECONOMIC INVESTMENT RETURNS? (1971 – 1990)

Key Takeaways: Economic Investment Returns? Time Period:

- Population decline and reduced economic competitiveness of the North Sacramento area;
- Continued vacancy and underutilized land;
- Deterioration and underinvestment in infrastructure;
- Establishment of the Del Paso Heights Redevelopment Area; and
- Unfulfilled implementation of the 1984 North Sacramento Community Plan

Expedited by population decline and land vacancy in North Sacramento, the historic disinvestment in infrastructure has left an uneven financial burden on those looking to develop within North Sacramento relative to other areas of the City.

Following a tumultuous time period which saw North Sacramento dramatically change, there was much uncertainty surrounding the future of the area. The Northeast Line Light Rail Station Plan indicated that during the 1970's and 1980's, the area started to decline and struggle financially due to the construction of the North Sacramento Freeway (Highway 160), which physically and psychologically disconnected the area from the rest of the region and diverted local traffic out of the neighborhood (p.20). Such an assertion is supported by Census data which indicated that between 1970 and 1980, the population of North Sacramento decreased from 37,200 to 35,100.

Looking to address issues related to blight, the City adopted the Del Paso Heights Redevelopment Plan in 1973 which sought to direct investment into the area to curb the overall decline of North Sacramento. This "redevelopment plan" was an urban renewal plan as defined in the United States Housing Act of 1949, as amended. Since its inception, the Plan was amended eleven times. Early on, more than \$8 million was invested to construct basic public infrastructure before any substantive "above ground" bricks and mortar projects occurred. Eminent domain was one method used to acquire properties in Del Paso Nuevo and market rate acquisitions were made on Norwood and Marysville Boulevard in the plan area. According to research conducted on the effectiveness of the program, the Sacramento Housing Redevelopment Agency (SHRA) was relatively successful in making improvements to the area without large-scale displacement (Partida, p.43).

At the same time as this population and economic decline, there was also a significant shift in the overall demographics of the community. While the

Del Paso Heights Redevelopment Plan

Examples and highlights of successful project and program in Del Paso Heights include:

- Del Paso Nuevo. Developed 154 acres of land into 325 single family homes, 165 of which are affordable units. \$15 million of funding was provided to pay for infrastructure and other supporting investment.
- North Avenue Apartments. Provided a \$525,000 loan and \$100,000 fee waivers to support construction of 80 apartments and townhomes.
- Joe Mims Jr. Hagginwood Community Center.
 Renovation of the existing building and new construction to support the rebirth of Del Paso Heights, with investment totaling \$1 million.
- Marysville Boulevard Town Center. \$2 million investment to facilitate the cleanup of a former gas station site and allow for a future development of a town center at this key intersection.
- Greater Sacramento Urban League. Assistance in developing the Urban League building located at the northwest corner of Marysville Blvd. and Grande Ave.
- **Rio Linda Superblock.** Acquisition and cleanup of contaminated sites for future redevelopment, with total investment at \$41.6 million.
- Commercial Revitalization/Exterior Rebate Program. Estimated \$500,000 to promote businesses and make improvements to storefronts along Marysville and Grand corridors.
- **Developer Assistance.** Gap financing for commercial and mixed-use projects, with an estimated investment of \$500,000.

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previous history of neighborhood showed North Sacramento to be predominately White, by 1980, only 62.2% of the population was White, with 20.3% African American and 13.5% Latino (1984 North Sacramento Community Plan, p.5). Not only was the areas changing racially, but also financially. Approximately 1 in 4 residents of North Sacramento were below poverty, with more than one-third of African Americans living below poverty.

As if the demographic changes facing North Sacramento were not significant enough, the community faced further threats of deterioration when the California Department of Transportation (Caltrans) announced another potential highway project. After attempting to address traffic congestion in the region with the building of various highways, Caltrans once again found itself looking to relieve overcrowding of Interstate 80. Acquiring right-of-way parallel to the South Pacific railroad, a bypass was proposed.

However, changing political winds saw that project abandoned in favor of a light rail project. In response to this change of course, the City sought to seize the new development opportunity by preparing the North Sacramento Community Plan (North Sacramento Community Plan, p. 4). In preparing the document, the 1984 Community Plan identified three overarching issues in the community:

- Vacant and underutilized land;
- Inadequate infrastructure; and
- Promotion of industrial land uses;

The North Sacramento Community Plan (Community Plan) in its introduction stated that one of the most significant challenges facing the area was the large amount of vacant and underutilized parcels (p.17). At the time of the writing of the 1984 Community Plan, there were 1,840 acres of vacant residential land as well as other occupied, but underutilized properties as well (p.18). Furthermore, the document notes that within the region, Interstate 80 served as a dividing line and that land south of the highway was viewed as unattractive and underutilized (p.18). Many of the recommendations of the plan focus on strategies to put the land to more productive use by promoting higher density residential development and increasing job opportunities in the region.

The second key aspect of the Community Plan is the recognition of inadequate infrastructure within the plan area. Two prime examples of this highlighted in the plan were substandard streets and the lack of adequate water, sewer, and drainage facilities which remain two of the fundamental issues for the community today (**Figure 16**).

Six Community Plans prior to March 1984 Land Use Designations Total Acres

Light Density Residential Multiple Family Residential Shopping/Commercial Heavy Commercial/Industrial Parks and Open Space Institutional/Public Facilities and Utilities	5,010 400 490 1,190 800 490
Total	8,380
Community Plan after March 1984	
Land Use Designations	Total Acres
Rural Estates .25-2 du/na Residential 4-8 du/na Residential 7-15 du/na Residential 7-15 du/na Residential 11-29 du/na Residential 11-29 du/na Residential 11-29 du/na Retail-General Commercial Highway Commercial Labor Intensive(inc, office) Industrial Parks-Parkways-Open Space Utility-Transportation-Communication(inc.freeways) Institutional (Public/Semi-Public) Special Planning Districts	210 3,520 850 250 90 160 10 300 1,710 800 160 290
Total	8,380

Figure 15. Proposed land uses as part of the 1984 Community Plan in comparison to previouslyadopted community plans for North Sacramento. Note the large amount of land area reserve for low-density residential and industrial land uses.

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The last key element of the plan is the continued focus on promoting industrial development in the region. In its introduction, the Community Plan makes a concerted effort to demonstrate the marked difference between this plan and previous planning efforts (**Figure 15**). Namely, this plan was to promote (nominally) higher densities while continuing to tout the area's industrial land. This stands in stark contrast to the plan's own findings that there was a considerable lack of demand for these uses, as 870 acres of the plan's 1,190 acres were vacant (p.26).



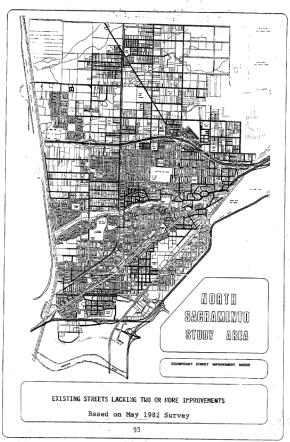


Figure 16. Substandard water, sewer and/or drainage facilities, and streets as identified in the 1984 Community Plan. Note that much of the northern-half of the study area lacked adequate facilities at the time of the study. Source: 1984 North Sacramento Community Plan

Review of the historic entitlements during this period reveal numerous instances of incompatible and unplanned development. Examples of this include:

- Various dimensional variances where existing conditions were not compatible with zoning regulations including those related to the irregular lots fronting Del Paso Boulevard;
- Exemptions from various zoning requirements due to properties being landlocked; and
- The rezoning of properties adjacent to residential areas from low-density residential to industrial zoning

In sum, the outcomes of the plan fell short of their stated goals, as many of the strategies identified went unrealized. Furthermore, the recommendations for changes related to zoning and land use to promote redevelopment and investment in the area were unsuccessful.

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ECONOMIC DOWNTURN (1991 – PRESENT)

Key Takeaways: Economic Downturn Time Period:

- The closure of McClellan Air Force Base and its economic impact on the community and region at large;
- Responding to challenges related to zoning and land use;
- Economic decline and generational wealth;
- Establishment of the North Sacramento Redevelopment Area; and
- Environmental issues

Fueled by decades of disinvestment in infrastructure, population loss, and poverty, the closure of McClellan Air Force Base exemplifies this time period. While the City of Sacramento has initiated significant planning initiatives and code changes to help curb and reverse decline, the substandard infrastructure and significant land vacancies persist.

Closure of McClellan Air Force Base

The 1984 North Sacramento Community Plan hedged its bets on the continued strength of a manufacturing-based economy. Thus, the pulse of North Sacramento's economic vitality began to deteriorate when nationally, the economy shifted to a service-based economy.

The fate of North Sacramento was convincingly sealed when in 1995 it was announced that the Air Force Base would be closing due to the Congress-approved Base Realignment and Closure (BRAC) process. At its height, McClellan Air Force Base employed more than 11,600 people and generated an annual economic impact of \$1.5 billion on the local economy. As an economic engine not only to the community but also to the region, its loss was irreplaceable. In 2001, McClellan Air Force Base was completely shuttered signaling the end of this major employer.

Historically, McClellan Air Force Base has always significantly influenced the surrounding land use. When it opened in 1936, other supporting commercial, residential, and industrial land uses sought to locate in the immediate vicinity. The City of North Sacramento responded by zoning much of the area of industrial land uses to support the various industries that were complimentary to McClellan Air Force Base. With its closure and repurposing, McClellan once again was a major force in shaping the immediate area's land use. Today, McClellan Air Force Base is now McClellan Business Park, boasting more than 8 million square feet of development and is home to various regional employers. With entitlements to build an additional 6 million square feet of buildings, there is opportunity to employ 35,000 people at full build-out, positioning McClellan as a regional employment hub once again.

Responding to Zoning and Land Use Challenges

Additionally, some of the challenges and issues related to zoning and land use that were highlighted during the previous time period continued through this era to present-day. Exacerbated by the closure of the Air Force Base, there is still a surplus of vacant and industrial land in North Sacramento as well as a significant proportion of land dedicated exclusively to single family detached residential (Figure 25).

To address this, the City has been working proactively to resolve the zoning and land use challenges that have persisted in North Sacramento. In general, the existing zoning scheme, particularly the non-residential areas of the study area, supports mixed use and/or infill development. In 2009 and 2010, as part of the 2030 General Plan adoption, the City implemented a major consistency and rezoning effort to bring over 1,600 parcels into consistency with the 2030 General Plan's Land Use and Urban From Diagram. An

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additional 500 rezoned parcels were deferred primarily in the Robla and Ben Ali neighborhoods for additional outreach efforts to take place.

Robla Area. This area is in the northern area of the city, just west of the McClellan Business Park. The land use designation was changed from industrial to suburban neighborhood low density in the 2030 General Plan. Staff recommended changing the zoning from light industrial (M-1S-R) to single family residential (R-1) in this area to be consistent with the 2030 General Plan Land Use Designation.

Ben Ali Neighborhood. This area is bounded by El Camino Avenue, Auburn Boulevard, Marconi Avenue, and Business 80. The 2030 General Plan land use designation of the Ben Ali area is primarily suburban neighborhood low density with a suburban corridor designation along a portion of Auburn Blvd. Staff recommended rezoning the residential area from multi-family residential (R-2A) to single family residential (R-1), and the suburban corridor area from light industrial (M-1) to commercial (C-2). Staff continued to work with the Ben Ali Neighborhood Association and recommended the rezoning in this area continue to be deferred. A community survey conducted by the Ben Ali Neighborhood Association indicated a large majority of the property owners were opposed to the rezone.

The City also implemented a variety of programs such as the infill development strategy program designed to identify key infill opportunity areas and funds plans to improve their zoning and infrastructure. The City also updated the Zoning Ordinance and other development review guidelines by increasing densities and intensities of development and offered greater flexibility in mixing land uses. This ordinance increased the maximum density within a C-2 zone, streamlined ground-floor commercial uses in the Office Development zone, created a new R-4A zone, and updated the M-1 zone to ensure better consistency with the Employment Center Low Rise. Since then, the City has planned comprehensive updates of the zoning code and related development regulations to advance economic and environmental sustainability.

In 2011, portions of Del Paso Boulevard and Arden Way were rezoned and the North Sacramento Community Plan was amended with supportive policies to allow transit-oriented development. One of the most notable plans developed was the Northeast Line Implementation Plan, a planning effort to promote reinvestment, redevelopment, and revitalization along the light rail corridor that includes the Globe, Arden/Del Paso and Royal Oaks Stations. The 2030 General Plan, adopted in 2009, amended land use designations in key opportunity areas, including light rail station areas and commercial corridors, to facilitate the revitalization of corridors and centers. Previous planning efforts, including the Northeast Line Light Rail Stations Plan (2007) and Transit for Livable Communities (2002) informed the identification of the 2030 General Plan land use designations for this area. The Northeast Line Implementation Plan is an effort to implement these previous planning efforts. The Plan includes specific strategies to address housing, economic development, the strategic financing of infrastructure, public safety, and design needs along the light rail corridor.

To further entice development, in 2013 the City <u>amended its ordinances</u> to substantially reduce or eliminate off-street parking requirements, as well as increases to maximum permitted residential densities and floor area ratios (FAR). By increasing developable area, the number of units that may be built, and decreasing the off-street parking requirements, the land use policies can help entice development in the area that would otherwise not be considered.

Finally, the prevalence of exclusive single-family zoning—specifically areas not adjacent to the commercial corridor—limits housing choice by prohibiting other housing products, such as duplex, triplex and other "middle-housing" options². To address this, the City has initiated a study of its residential zone districts that would contemplate the inclusion of a wider variety of housing options in these areas. Adopting these

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² Note, these limitations have changed with CA SB9.

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amendments would represent a more incremental approach to redevelopment in the area, demonstrating that infill does not necessarily need to be large-scale but can be in similar scale to existing development.

Economic Decline and Generational Wealth

During the period between 1941–1970, the interplay between zoning, racial covenants, and homeownership was noted. The long-term impact of entire racial and ethnic groups being excluded from homeownership cannot be overstated enough in its impact in the overall economic decline of North Sacramento. Furthermore, it speaks to the falling household income that began in the 1970's and continues today, as illustrated in the poverty change map, Error! Reference source not found.

For most Americans, homeownership is the primary source of generational wealth and thus when groups of people are excluded from this activity, poverty—particularly generation poverty—is sure to follow. A September 2020 bulletin published by the <u>Federal Reserve</u> found that nationally the median net worth of homeowners in 2019 was \$255,000 compared to \$6,300 for renters, nearly forty times greater. Therefore, while the act of redlining and the adoption of racial covenants occurred at the turn of the 20th century, their impact and legacy continue and can be felt today.

Establishment of the North Sacramento Redevelopment Area. To help curb disinvestment in the study area, the North Sacramento Redevelopment Plan Area was established in 1992. The redevelopment area was

created in response to North Sacramento's isolation from the rest of the city due to its higher unemployment, household income. lower substandard infrastructure, and utility system, and a deteriorating building stock. Its negative image and poor street grid system further exacerbated North Sacramento's isolation from the rest of the city.

Environmental Issues. Finally, North Sacramento continues to deal with the after-effects of incompatible and hazardous land uses that came about as a result of developing primarily after mass adoption of the automobile and prior to the City of North Sacramento's adoption of comprehensive zoning.

The analysis of the 1926 Sanborn Maps (Figure 22) highlighted the presence of land uses such as junkyards, industrial operations and a significant number of gas stations and oil repositories. While many of those uses have since disappeared, their environmental impact continues to be felt today. Figure 23 and Figure 24 demonstrate that within the study area, there are number of hazardous waste sites and cleanup

North Sacramento Redevelopment Area

Notable projects and programs completed as a result of the North Sacramento Redevelopment Area include:

- "Experience Del Paso Boulevard" Streetscape Improvement Project. \$5.8 million investment in streetscape improvements to increase pedestrian safety and a sense of community along Del Paso Blvd.
- Surreal Estates. Creation of 11 affordable units for local artists in the Dixieanne Neighborhood, with public investment totaling \$510,000.
- Exterior Rebate Project. Completed 19 exterior rebate and commercial loan projects totaling \$1.3 million and resulting in \$3.2 million of private investment.
- Sacramento News and Review (SNR). A \$3.2 million loan and exterior rebate grant to facilitate the move of SNR to Del Paso Boulevard, which resulted in the rehabilitation and reuse of a former furniture and grocery store.
- 965 El Camino Avenue. \$2.2 million investment for on and off-site improvements to facilitate the construction of a grocery store. Today this site is a health clinic.

sites which—in combination with other environmental effects—have had negative consequences on basic necessities such as clean drinking water (**Figure 25**).

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Outstanding Issues and Conclusions.

Since 1992, local governments and various agencies have conducted more than 15 studies on the North Sacramento area or neighborhoods contained within the boundary. Though the focus of each study varies, the overarching themes are strikingly similar to one another. That is, each study tends to focus on the following issues in North Sacramento:

- The prioritization of the Del Paso-Marysville Corridor (primarily Del Paso Boulevard) as the dominant and most important development feature;
- Strategies to revitalize the corridor and address the overabundance of vacant lots in the area; and
- The need for public investment to enhance and raise the standard of infrastructure to comparable levels found through the remainder of the City.

By gaining an understanding of North Sacramento's historical past, particularly through the lens of its land use history, appropriate strategies and policies can be identified and implemented to bring forward the outcomes the residents of the community want to see. As the historical context demonstrates, while zoning and land use are central themes, they are not the sole issue and will not be a panacea to addressing the challenges North Sacramento faces.

In general, zoning and land use regulations have limitations in that they primarily influence only new development and as such, change is slow. While they are certainly one of the tools to resolve the inequity and quality of life issues in North Sacramento, the market conditions, market demand, infrastructure, and property conditions will not be addressed by zoning alone. Instead, it will take the participation of private sector business and investors, and assistance of community-based organizations, as well as the coordination between the various levers the City has available to it in order to meaningfully improve quality of life in North Sacramento and vibrancy of the Marysville-Del Paso Boulevard corridor.

Appendix

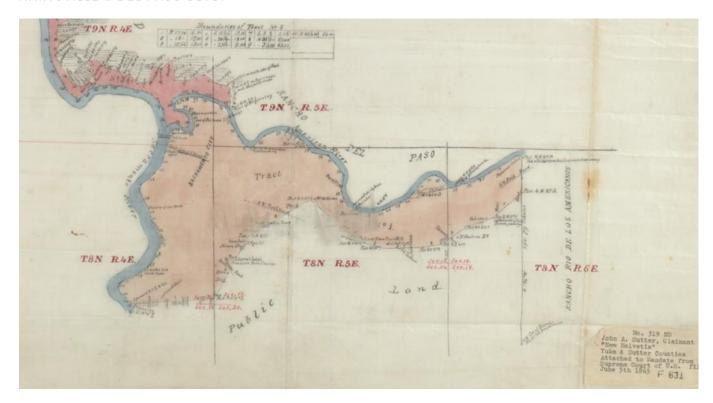


Figure 17. 1865 Tract ownership adjacent to the American River, including John Sutter's "New Helvetia" that would later become Sacramento. Source: Calisphere

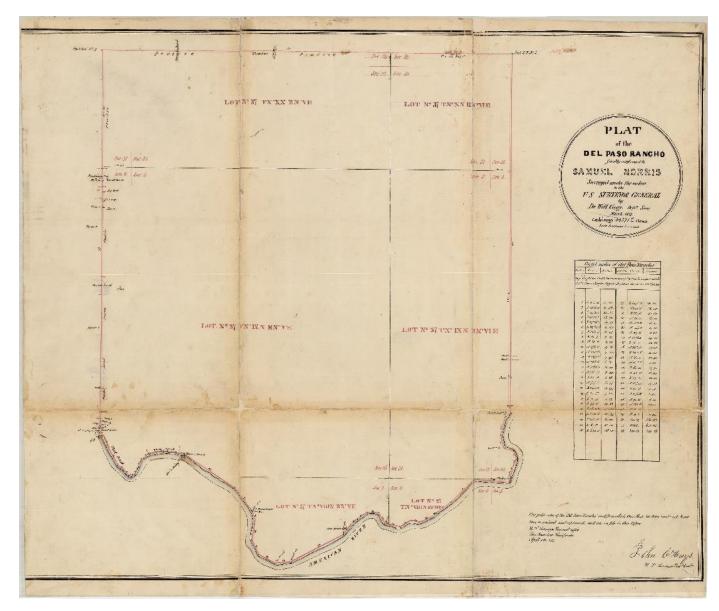


Figure 18. Original plat boundary of Rancho Del Paso showing the extents of original land ownership. Source: Calisphere



Figure 19. Extents of Sacramento's streetcar system as of 1930. The map depicts the extension of the streetcar northbound across the Sacramento River into North Sacramento along Del Paso Boulevard. This extension, in conjunction with the connectivity provided by the 16th Street Bridge, provided ample daily traffic to support businesses along the corridor. **Source: City of Sacramento**

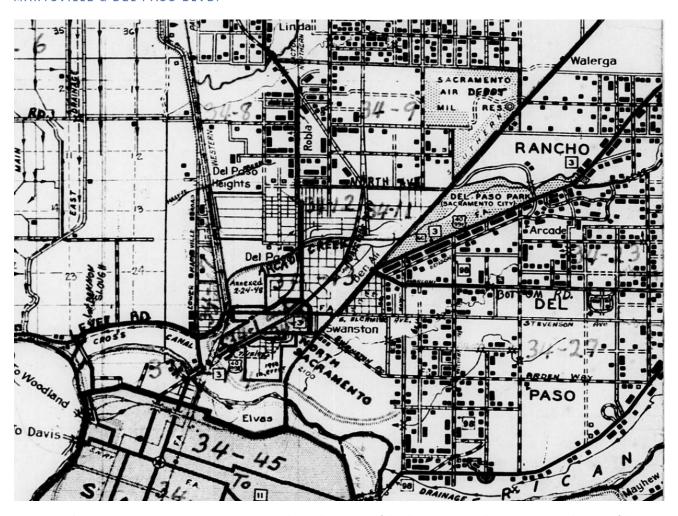


Figure 20. This 1930 Census Enumeration District map shows the extents of development in North Sacramento at the time of the Census. Much of the northern-half of the study area was sparsely populated and developed at this time. Of particular note, in the northeast corner of the study area, the "Sacramento Air Depot" is depicted which would later be renamed McClellan Air Force Base. Source: US Census Bureau

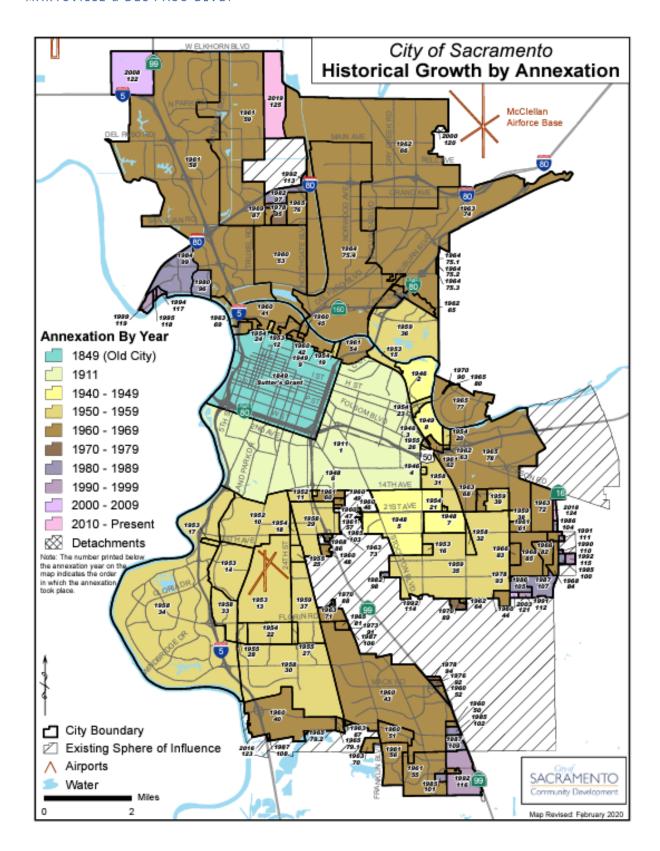


Figure 21. Annexation History of the City of Sacramento. Note that before North Sacramento was annexed in 1964, the area was completely surrounded by the City of Sacramento. Source: City of Sacramento

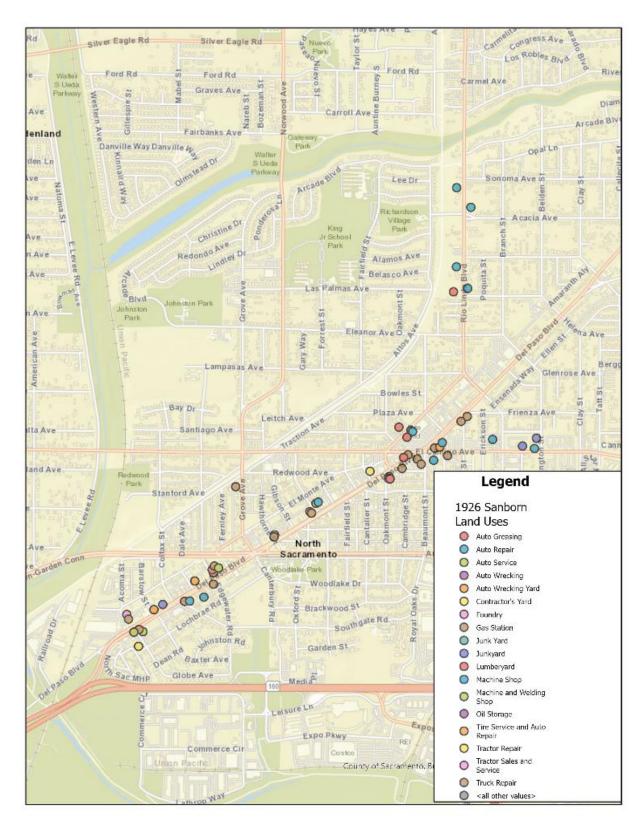


Figure 22. Historic locations of incompatible and potentially-hazardous land uses. Source: 1926 Sanborn Maps

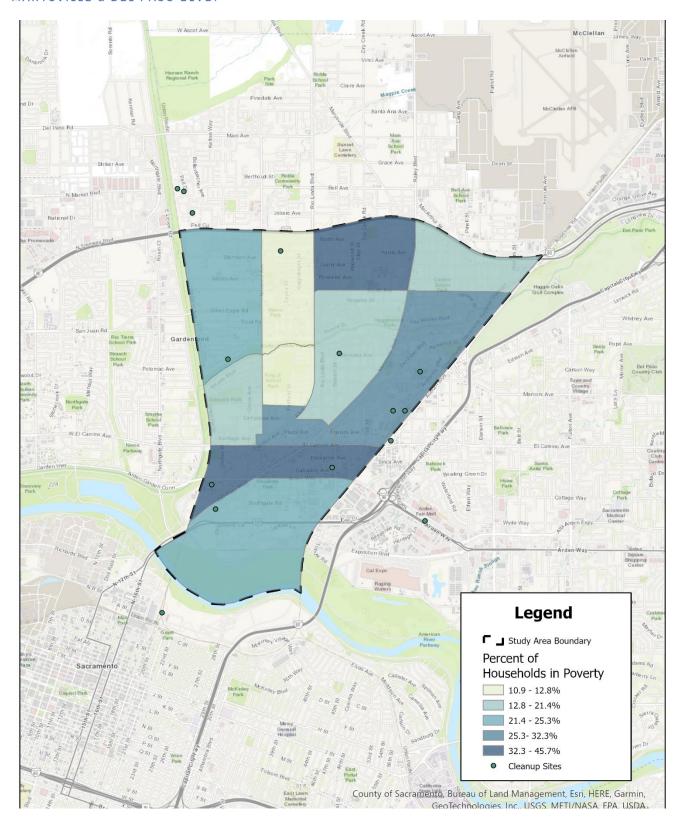


Figure 23. Locations of cleanup sites overlayed on top of the percent of households in poverty. A higher index reflects a higher concentration of cleanup sites. Source: OEHHA, US Census

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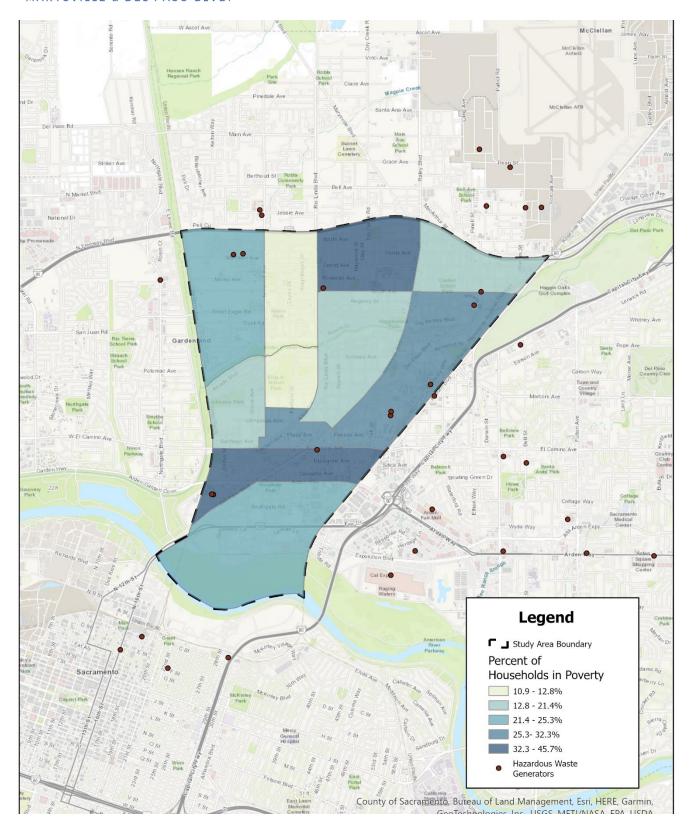
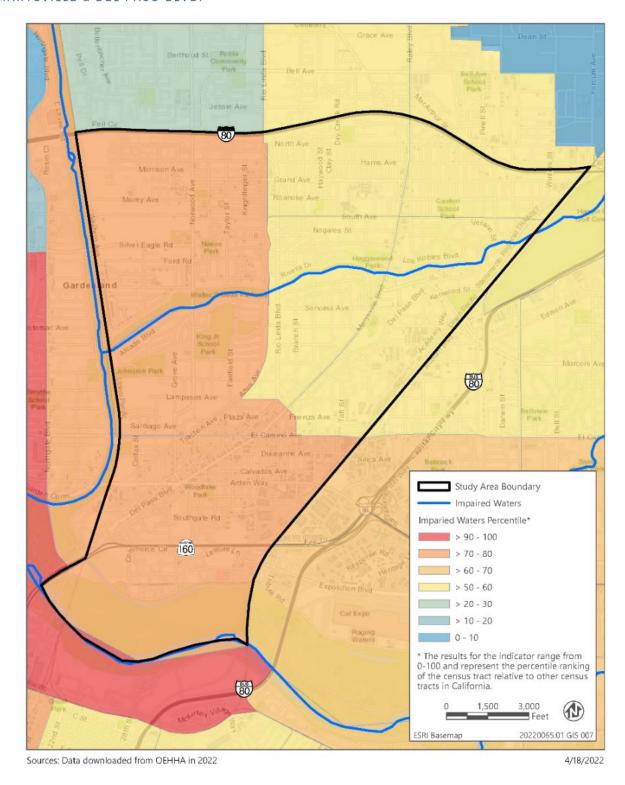
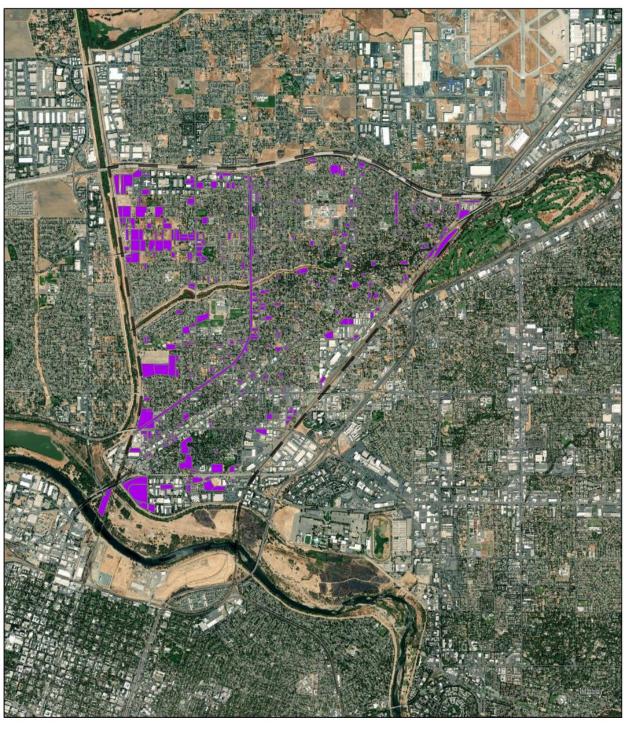


Figure 24. Hazardous waste generators overlayed on the percent of households in poverty. A higher index reflects a higher concentration of hazardous waste generators. Source: OEHHA, US Census



Impaired Waters

Figure 25. Impaired waters overlayed on the percentile index compared to other Census Tracts in California. A higher index reflects a higher rate of impaired waters compared to other areas in California. Source: OEHHA



Legend Vacant Parcels in North

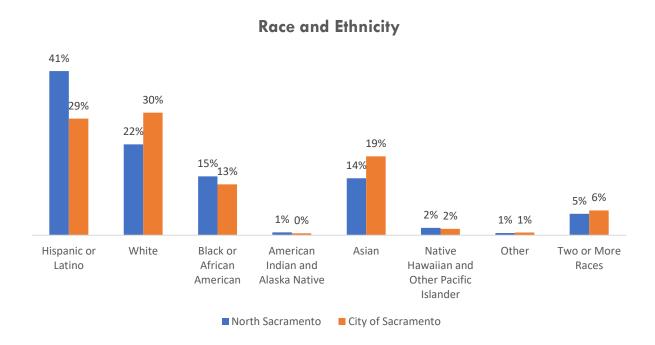
Vacant Parcels
Study Area Boundary

Vacant Parcels
Sacramento

Figure 26. Vacant Parcels in North Sacramento. Source: City of Sacramento

Race

Today, North Sacramento is a diverse community home to approximately 45,542 people according to the 2020 Census. The racial makeup of the study area demonstrates that the Hispanic/Latino Population is the most dominant racial group at 41% and that there are also significant White, African American, and Asian populations.



Race and Ethnicity Comparing North Sacramento and the City of Sacramento. Source: 2020 Census, Complete Count.

Compared to the City of Sacramento as a whole, North Sacramento has more Hispanic/Latino and African American populations. Conversely, there are lower proportions of White and Asian populations, respectively. Source: US Census

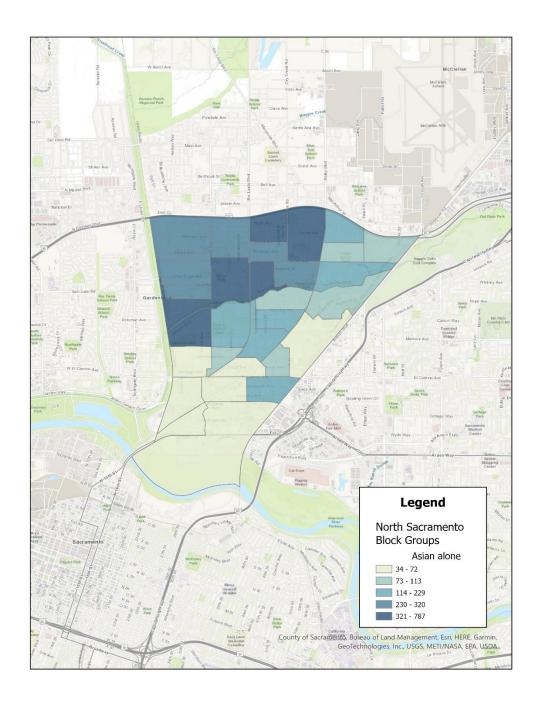


Figure 27. Asian Population in North Sacramento, by 2020 Census Block Group. Source: US Census

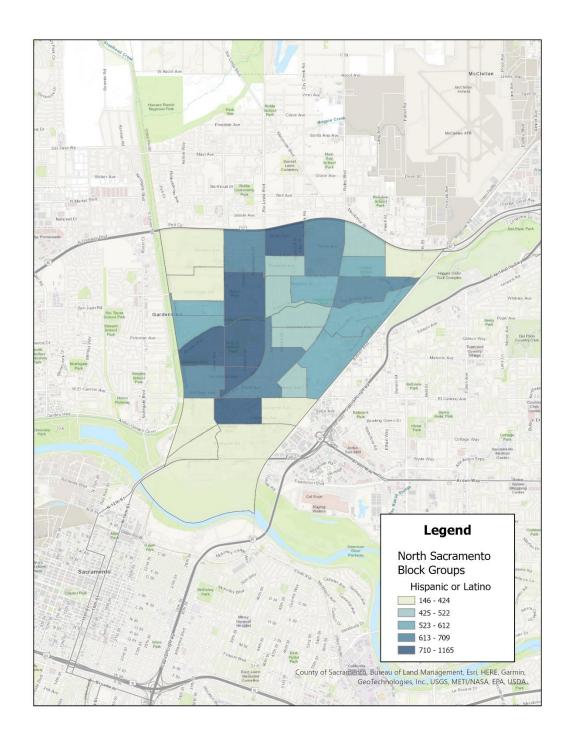


Figure 28. Hispanic or Latino population by 2020 Census Block Group. Source: US Census

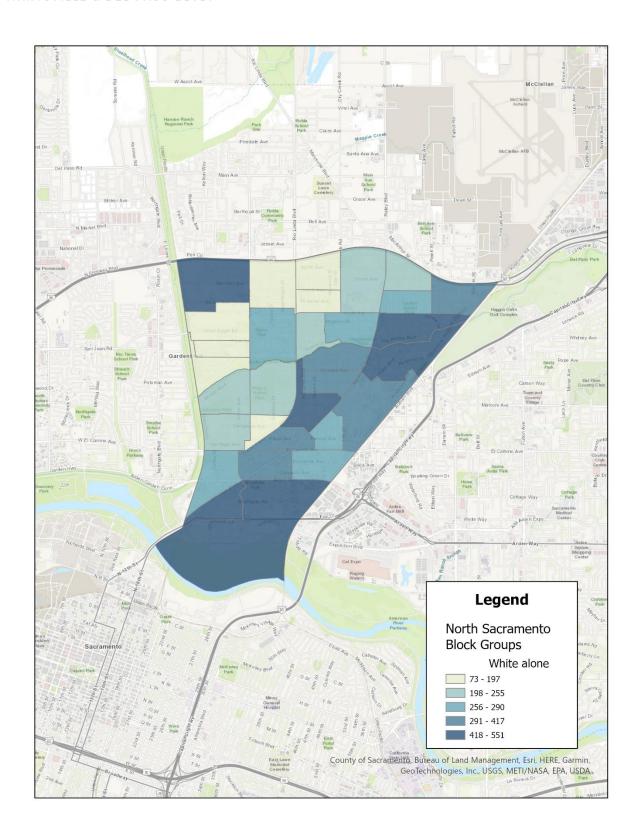
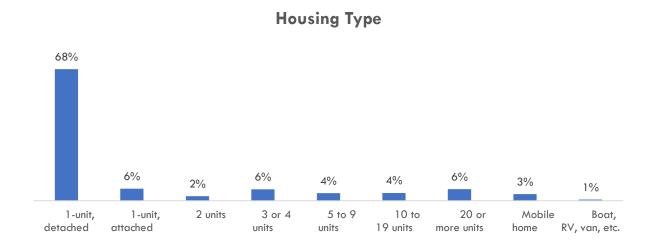


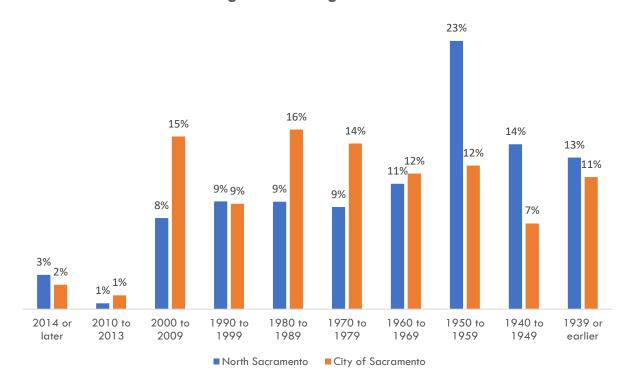
Figure 29. White, non-Hispanic Population by 2020 Census Block Group. Source: US Census

Housing

Census data also reveals that according to the 5-year estimates from the 2020 ACS, the area's tenure is predominately composed of renters at 56%, while 44% of units are owner-occupied. According to the same data source, North Sacramento's housing stock is primarily single family detached residential units (68%) with more than half constructed prior to 1960.



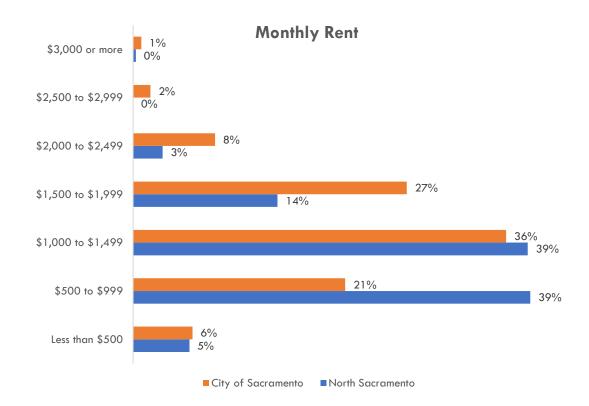
Age of Housing: Year Built



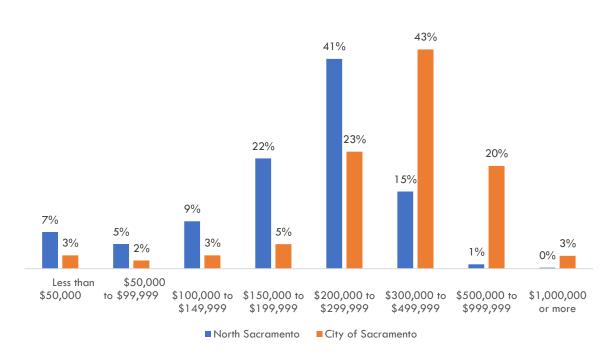
The median value of owner-occupied units is \$210,800 while the median monthly rent for the area is \$1,095. Distributionally, it can be observed that most owner-occupied units (41%) within the study area have a home value between \$200,000 and \$299,999 with few valued more than this. For renter-occupied units, more than 77% of residents pay between \$500 and \$1499 for monthly rent. Source: US Census

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Home Value of Owner-Occupied Units

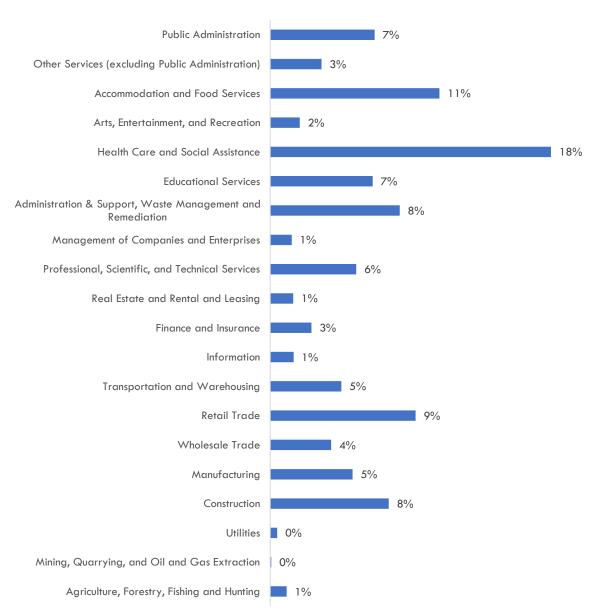


Compared to all of Sacramento, North Sacramento has significantly more housing for rent below \$1,000 (39% compared to 21% in all of Sacramento) and lower-priced owner-occupied housing, with 84% of the housing stock valued less than \$300,000. Source: US Census

Employment

According to 2019 data collected by the Census, the total workforce in North Sacramento is 15,727 and the major industry sectors of residents living within the study area are: Healthcare and Social Assistance (17.9%), Accommodation and Food Services (10.8%) and Retail Trade (9.3%). Additionally, approximately 11,761 people are employed in the study area. Of those, only 7.3% of residents live and work in North Sacramento with job flows indicating that more people leave the study area for work than enter. The major industries of employment within the study in 2019 are: Healthcare and Social Assistance (21%), Public Administration (19%) and Construction (9.3). Source: US Census

Job Employment by 2-Digit NAICS: North Sacramento Resident

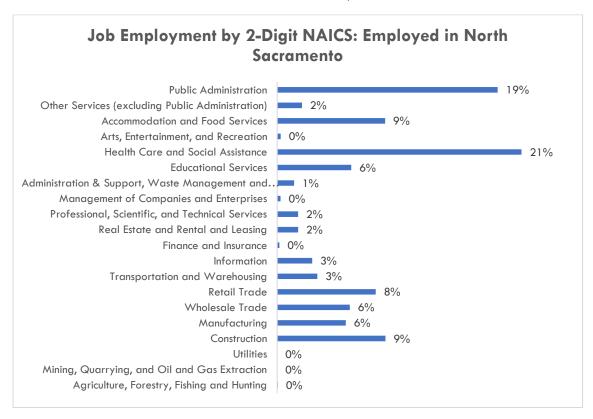


Employment by Job Sector, North Sacramento Residents. Source: US Census

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Figure 30. Job Flows. Note that more people leave North Sacramento to work than come to the study area. Source: US Census,
On the Map



Employment by Job Sector 2019. Most people employed by business in North Sacramento are in public health care and social assistance or public administration. Source: US Census

FORWARD TOGETHER

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Physical Characteristics

Land Use and Zoning

Analyzing the existing land use within the study area reveals that North Sacramento is primarily a residential community, making up approximately 67% of the total land area. The Del Paso-Marysville corridor is where the majority of commercial land uses (9% of the land area) are located. Approximately 11% of the study area is classified as either agricultural or as a park, with much of that land use fronting the American River. Finally, the remaining 11% of the study area's land use is industrial, located primarily adjacent to rail or highways. Overall, the existing land use and zoning scheme are essentially one in the same.

Reviewing the current zoning for the study area, it is evident that the existing land use is reinforced by the City's zoning scheme. With few exceptions, the existing land use and zoning designation are one in the same. As depicted in the exhibits, much of North Sacramento is zoned residential, with some commercial and mixed-use zoning adjacent and along the Del Paso-Marysville corridor and industrial zoning in proximity to the rail lines and highway.

Of particular note, while a significant portion of the study area is zoned industrial, there are relatively few industrial establishments employing residents. According to 2019 ACS data, only 5.9% of people working in the study area are employed in the manufacturing industry sector. This suggests that while industrial land uses occupy large land areas, they are significantly underutilized sites.

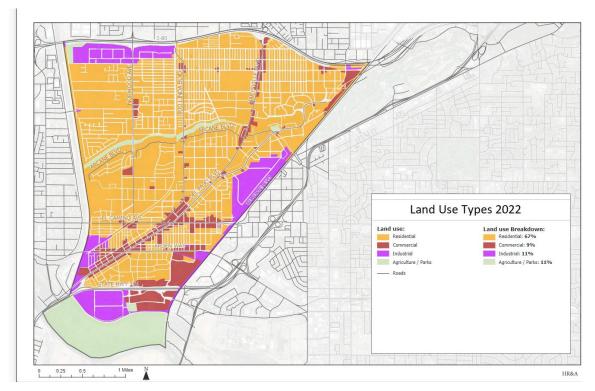


Figure 31. Existing Land Use, as identified in the 2035 General Plan. Note the large land areas dedicated to residential land uses. Source: City of Sacramento

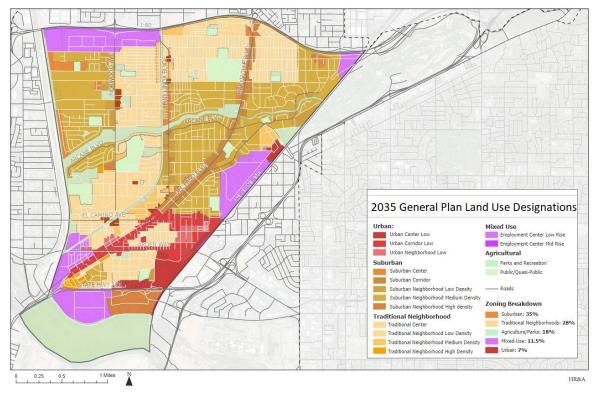


Figure 32. 2035 General Plan Land Use Designation in North Sacramento. Observe the similarities between future land use and existing land use. Source: City of Sacramento.

FORWARD TOGETHER

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Transportation and Mobility

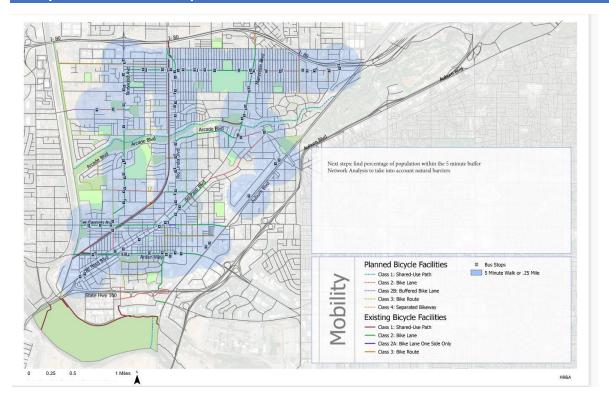


Figure 33. Locations of bus stops and a 5-minute walk, measured as ¼ mile walking distance from the destination. Large land areas of North Sacramento fall outside of this walkshed. Source: City of Sacramento



MEMORANDUM

TO: JOSEPH AVENA

Planning Director

FROM: DAVID W. MCMURTRY

Deputy City Attorney

RE: NONCONFORMING USES IN NORTH SACRAMENTO ANNEXATION AREAS

Several months ago I discussed with you the problem of nonconforming uses in several areas which were annexed to the City of North Sacramento prior to the year 1960. If you recall, at that time you prepared a map for me indicating areas which were made subject to an interim zoning ordinance adopted by the Council of the City of North Sacramento on February 15, 1960. These areas, which were annexed to the City of North Sacramento prior to February 15, 1960, were formerly zoned by the County prior to the time of their annexation to the City of North Sacramento. When annexed to the City of North Sacramento at various times prior to February 15, 1960, the City of North Sacramento failed to simultaneously adopt interim zoning ordinances regulating land use within the newly annexed areas. The first interim zoning ordinance relating to these areas was adopted on February 15, 1960,

As a result of the failure of the City of North Sacramento to adopt interim zoning ordinances simultaneously with annexation of new territories to the City, there is a "gap" in land use regulation in these areas. A particular use in one of these areas which might have been illegal under County Zoning suddenly became a valid use in the absence of a zoning ordinance regulating land uses in the annexed areas. Thus, if a use existed or was created in these areas prior to February 15, 1960, and regardless of whether it was a legal or illegal use under prior County Zoning, it is a valid nonconforming use insofar as the City of Sacramento is concerned.

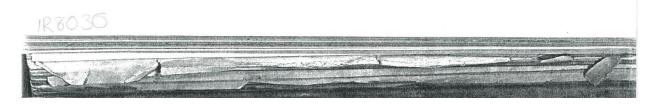


Figure 37. Memorandum from the City of Sacramento's City Attorney's Office to the Planning Director concerning the existence of nonconformities in North Sacramento, dated May 25, 1967. Source: City of Sacramento

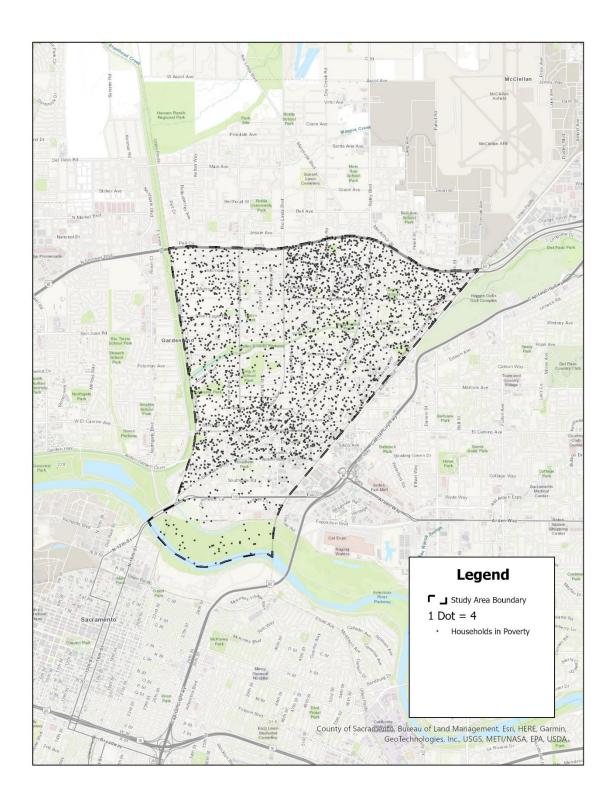


Figure 38. Number of households in poverty where one dot represents four households. Source: US Census

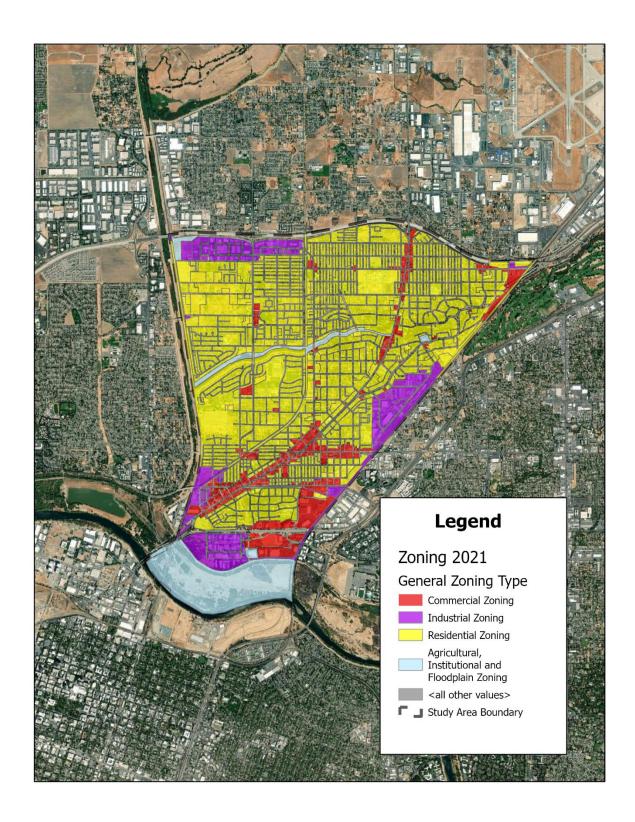


Figure 39. Current (2021) zoning by general land use category. Source: City of Sacramento