

The Sacramento Bee

THURSDAY, SEPTEMBER 13, 2007 **

www.sacbee.com

FINAL EDITION 50 CENTS

Varied interests vie for inside track at railyard

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Sacramento's downtown railyard is a blank slate, and everybody wants to write on it.

History buffs have asked for a 39-acre historic district surrounding the old railroad shops. Chinese leaders want a museum and perhaps a Chinese garden. Local arts groups envision a complex with performing arts venues

and a kindergarten-12th grade arts conservatory.

A year after a failed city-county effort to build an arena in the railyard, a planned development of up to 12,000 housing units, a historic and cultural district, and millions of square feet of office and retail space is working its way through the approval process.

As it moves closer to approval, more people are try-

ing to stake their claim on what's considered one of the most significant "infill" sites in the country.

The plans are big. And so are the problems.

Not only must developer Thomas Enterprises juggle the competing agendas of interest groups clamoring for a piece of the railyard, it must figure out how to come up with hundreds of millions of dollars needed to extend

roads, utilities and other infrastructure to the site.

To that end, the Atlanta company is working with the city for quick approval of its development plan and environmental impact report, which was released last month.

If the project obtains the city's blessing by November, Suheil Totah, Thomas Enterprises vice president, said the project stands a better chance

of winning up to \$200 million in state bond funds.

"One of the criteria for the money is project readiness," Totah said. "We want to show that we're ready."

The situation in the railyard is still uncertain enough that the NBA has turned its sights to Cal Expo instead of the railyard as a possible arena location.

Still, Totah and commu-

nity leaders who appeared at the city's first formal hearing on the railyard proposal Tuesday expressed considerable excitement.

If it obtains money from the state's \$2.85 billion housing bond, Totah said that could pay for enough public improvements for the first phase to proceed.

He called the railyard a "marquee project" for the infill and transit-oriented pots

Railyard: Developer balks at larger historical district

of money in the state bond fund.

"The mayor has appeared before the Legislature to present the railyards as an example of a project that could be funded under them," he said. "We've had meetings with the Governor's Office. We're hoping that we can secure \$100 million, but perhaps up to \$200 million."

It took Thomas Enterprises six years to reach an agreement with Union Pacific to buy the railyard. Since the sale closed in December, the planning process has picked up steam.

On Tuesday, the city held the first of three joint hearings by its Planning, Design and Preservation commissions at the Sheraton Hotel. Normally, a developer would have to go before each commission separately, which can take many months.

City officials said it was the first time they knew of that the commissions had met jointly to consider a project. The idea is to get the railyard

plan to the City Council by November -- warp speed by city standards.

Opening the meeting, Councilman Ray Tretheway said the redeveloped railyard would redefine Sacramento as the region's hub.

"It's going to have its own signature, its own specialness, and that's what we're going to try to carve out over these next couple of months," he said.

People have different ideas about what makes the railyard special, however.

Appearing before the commission, Steve Yee recalled its history as the site of Sacramento's former Chinatown -- Yee Fow -- on the banks of a slough filled in by Union Pacific. He is leading an effort to build a museum in the railyard.

"We cannot exclude the Chinese from this discussion," Yee said.

Richard Rich, development director for Thomas Enterprises, said he's enthused about the idea of a Chinese

history museum. The development firm also has embraced the idea of a performing arts complex.

But Thomas Enterprises takes issue with an application filed last month by the California State Railroad Museum Foundation, the Sacramento Old City Association and other preservation groups to have 39 acres around the shops designated as a federally protected historic district.

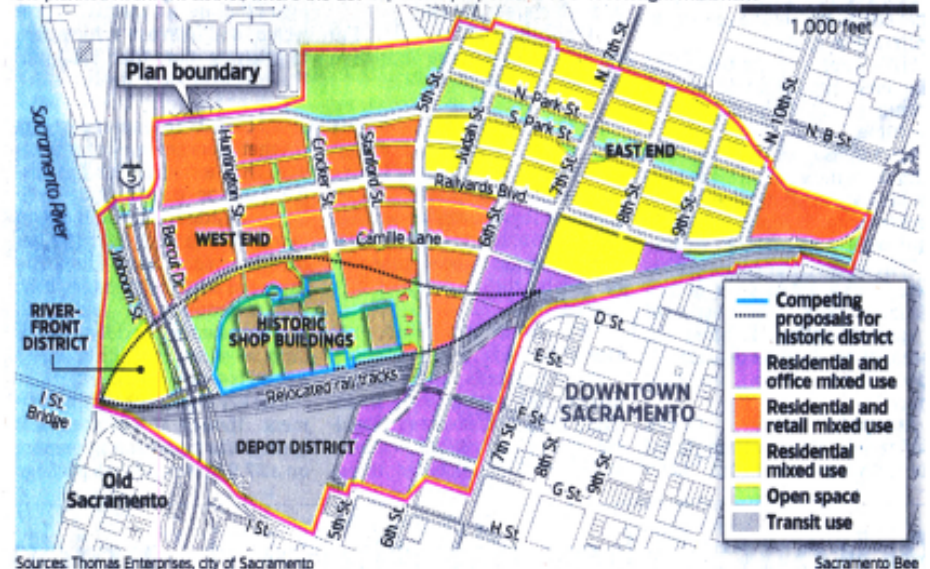
The proposed district would stretch to the Sacramento River, where Thomas Enterprises proposes to build high-rises.

Totah said Thomas Enterprises already has filed to have about 14 acres designated as a local preservation district. This land encompasses the historic shops, two of which have been earmarked for the state to use as an extension of the Railroad Museum.

The developer also was considering a federal filing, but the museum foundation

Downtown railyard plan

The city of Sacramento is holding hearings about plans released last month for the 240-acre site. One issue is the size of the historic district around the railyard shop buildings. Developer Thomas Enterprises has proposed a 14-acre district, but preservation groups are calling for 39 acres. The designation could limit building heights in the planned riverfront district, where the developer has proposed a 450-foot height maximum.



beat the company to the punch. The foundation is seeking a larger historic district that includes now vacant sites such as the former right of way of the transcontinental railroad tracks.

Kathy Daigle, associate director of the foundation, said the groups want to spur public discussion over the appropriate boundaries for the historic area.

"We think we have only one chance to get this right," she said.

Daigle said having a historic designation would not prevent Thomas Enterprises from building on the land around the shops, but would limit the height of buildings in the district, requiring that they be compatible with the 19th-century shop buildings.

"It just means you can't build high-rise buildings right next to these historic buildings," she said.

Representatives for Thomas Enterprises disagreed.

They said the historic district designation could impose another layer of delay and bureaucracy on a project that's on the edge of being mired in difficulty.

Totah said his company already has spent nearly \$150 million to plan the railyard development, buy the property and clean up contaminants left by a century of dumping.

"We want to build this plan, and it's got to be economically feasible," he said.