

CITY OF RANCHO CORDOVA



CITY COUNCIL MEETING

Tuesday, February 11, 2025

**5:30 PM – Special Meeting/Work Session
American River Room**

**City Hall
2729 Prospect Park Drive, Rancho Cordova**

How to Observe or Listen to the Meeting:

- Online via Zoom: <https://cityofranhocordova.zoom.us/j/81630466928>
Webinar ID: 816 3046 6928
- By phone: +1 669 900 6833 or +1 253 215 8782
Webinar ID: 816 3046 6928

Public Comment

Members of the public who wish to address the City Council may do so in person during the meeting by completing and submitting a Speaker Card to the City Clerk.

Members of the public who wish to provide public comment via email will need to submit comments to CityClerk@cityofranhocordova.org no later than 2:00 p.m. on Tuesday, February 11, 2025. Written comments received no later than 2:00 p.m. will be distributed to the Council, filed in the record, and will not be read aloud. All comments submitted later than 2:00 p.m. will be distributed to the Council.

If you have questions related to the City Council Meeting, please contact the City Clerk's Office at (916) 851-8720 before Tuesday, February 11, 2025, at 2:00 p.m.

AGENDA

1. SPECIAL MEETING - CALL TO ORDER/ROLL CALL

Council Members Linda Budge, Garrett Gatewood, Joe Little, David Sander, and Mayor Siri Pulipati

2. PUBLIC COMMENT

At a special meeting, citizens wishing to address the Council for any matter on the agenda may do so at the time the matter is discussed. Under the provisions of the California Government Code, the City Council is prohibited from discussing or taking action on any item not on the agenda.

3. SPECIAL MEETING ITEMS

- 3.1. **Subject:** Mills Crossing/Legacy Projects Update.
Recommendation: Receive presentation and provide feedback.

4. ADJOURNMENT

ADDITIONAL INFORMATION

Special Meetings listed below are subject to change/cancellation without further notice.

Public documents related to items on the open session portion of this agenda, which are distributed to the City Council less than 24 hours prior to the meeting, shall be available for public inspection at the time the documents are distributed to the Council. Documents are available for inspection at the City Clerk's office located in Rancho Cordova City Hall.

The agenda items are accessible on the City's website at www.cityofranchocordova.org on Thursdays or Fridays prior to the Regular City Council Meeting.

UPCOMING MEETINGS

February 18, 2025	5:30 PM Regular Meeting
February 25, 2025	5:30 PM Special Meeting/Work Session
March 3, 2025	4:00 PM Special Meeting/5:30 PM Regular Meeting
March 17, 2025	5:30 PM Regular Meeting
March 25, 2025	5:30 PM Special Meeting/Work Session
April 7, 2025	4:00 PM Special Meeting/5:30 PM Regular Meeting
April 21, 2025	5:30 PM Regular Meeting
April 29, 2025	5:30 PM Special Meeting/Work Session

If you have any technical questions related to the agenda items, please contact City Hall at (916) 851-8700.

In compliance with the Americans with Disabilities Act, if you need a disability-related modification or accommodation, including auxiliary aids or services, to participate in this meeting, please contact the City Clerk's Office at (916) 851-8720 at least 48 hours prior to the meeting.

CERTIFICATION OF POSTING OF AGENDA

I, Stacy Leitner, City Clerk for the City of Rancho Cordova, declare that the foregoing agenda for the February 11, 2025, Special Meeting of the Rancho Cordova City Council was posted and available for

review on February 7, 2025, at City Hall of the City of Rancho Cordova, 2729 Prospect Park Drive, Rancho Cordova, California, 95670. The agenda is also available on the city website at www.cityofranchocordova.org.

Signed February 7, 2025, at Rancho Cordova, California.

A handwritten signature in blue ink that reads "Stacy Leitner". The signature is written in a cursive, flowing style.

Stacy Leitner, CMC
City Clerk

MEMORANDUM



ITEM 3.1.

DATE: February 11, 2025
TO: Honorable Mayor and Council Members
FROM: Micah Runner, City Manager
SUBJECT: **MILLS CROSSING/LEGACY PROJECTS UPDATE**

RECOMMENDATION

Receive presentation and provide feedback.

RESULT OF RECOMMENDED ACTION

The presentation is intended to provide an update on the Mills Crossing project and other Legacy Projects.

The Mills Crossing project update will provide a comprehensive overview on the status, anticipated programming, and updated renderings of the three commercial buildings, open space, housing, and parking components of the project. Staff will also present the overall Mills Crossing project budget and financial considerations for City Council discussion. The Legacy Project update will include a review of funding commitments on the City's Legacy Projects and other existing city funding sources for Legacy Projects. The presentation will include an update on the Mineshaft, RiseUp Community Theatre, and Little League projects.

Staff is seeking feedback from the City Council regarding the financial considerations of Mills Crossing and Legacy Projects and direction regarding moving the Mills Crossing project towards the completion of design review and entitlements for the commercial buildings, open space, and parking portions of the project.

BACKGROUND

The City Council identified funding towards significant legacy projects that help meet the needs of the community as one of the priorities of the Community Enhancement & Investment Fund early on. Since that time, projects such as the update of the community swimming pool at Hagan Park in collaboration with Cordova Recreation and Park District, the update of the girls softball complex at Mills Middle School, and the construction and operation of the Rancho Cordova Youth Center have been made possible as a result of this funding. Since 2017, the city has been working on a plan to redevelop a long-standing vacant property on Folsom Blvd. as the future site of the Mills Crossing project, a transformational mixed-use development. An update on the Mills Crossing project, along with other significant legacy projects will be provided at this meeting.

The Mills Crossing project is moving forward through the detailed design phase, which is

intended to scope out the project in sufficient detail to negotiate a Guaranteed Maximum Price and lead to execution of a Development Agreement in 2025. Several work streams are nearing completion to meet this goal, including environmental analysis, design review, rezoning, and site mapping. Prior to moving forward with the completion of this entitlement phase, staff is requesting City Council feedback on the progress made with the design and programming of the project. The major features of the fully designed nonresidential project program include approximately 73,000 sq ft across three buildings of community facilities focused on arts, wellness, office, community events and a small cafe, and approximately 2.5 acres of plaza and community green spaces. The residential portion of the project continues to target 100-120 housing units split between attached townhomes and multifamily apartments.

Mills Crossing is a transit-oriented development located across the street from the Sacramento Regional Transit Mather Field/Mills Station. A parking study was completed by Nelson Nygaard for the Project using the City of Rancho Cordova Municipal Code (Code) parking ratios which has a requirement of 254 stalls. Code Section 23.719.080 allows for reductions and exemptions to minimum parking requirements. The Code allows for mixed use developments to perform a demand-based parking analysis to demonstrate the shared parking opportunities of the different uses. Nelson Nygaard performed a demand-based parking analysis demonstrating a peak parking demand of 170 spaces. The Code allows for up to a 50% parking stall reduction for projects within ¼ mile of major transit stops. The goal is to meet the demand study requirements, therefore the Mills Crossing commercial project will provide 183 onsite off-street parking stalls. The Code also allows for shared parking opportunities. In the project vicinity, there is an opportunity to collaborate with the Regional Transit park-and-ride lot (226 stalls), and the Los Rios student parking lot (295 stalls). The city also owns an adjacent undeveloped lot that could be used for an additional approximately 80 stalls. There are also an additional 49 on-street parking spaces throughout the Project. The housing portions of the overall project will provide their own required off-street parking. The next steps is to continue to develop shared parking agreements on neighboring lots.

Detailed project cost estimates for the nonresidential (3 community commercial buildings), open space, and parking components of Mills Crossing have been prepared, and staff is requesting City Council direction regarding potential funding options for the project. Relevant to the funding discussion of Mills Crossing is an overall funding picture of the City's Legacy Projects. In the last several years the City Council has made financial commitments to multiple Legacy Projects totaling approximately \$77.6 million. Several of these projects have recently become stalled and/or changed direction with encumbered funding amounts totaling \$23.1 million. Staff is requesting discussion from the City Council on whether to maintain those funding levels or if funding should be reallocated elsewhere.

FISCAL IMPACT AND FUNDING SOURCE

There is no fiscal impact resulting from this presentation. Staff is requesting direction from council on the potential future appropriation of funds for these projects for incorporation into the upcoming city budget.

ATTACHMENT(S)

1. February 11, 2025 Council Work Session



Mills Crossing/Legacy Projects Update



February 11, 2025

Agenda

- Current legacy project commitments and city reserve balances
- Review 2023 Performing Arts Community Needs Assessment report for Mills Crossing
- Mills Crossing project update and budget considerations
- Other Legacy Projects update
 - Mineshaft
 - Community Theatre (formerly RiseUp)
 - Little League
- Council discussion and direction on Mills Crossing and other legacy projects

Current Legacy Commitments

Project	Legacy Fund Allocation	Other Funds Allocated
Mills Crossing	\$1 million (previously spent)	\$30 million
Mineshaft	\$10.1 million	
RiseUp Community Theatre	\$2 million	
Little League	\$7.5 million	\$3.5 million
Soil Born Farms Animal Barn	\$500,000	
Land Acquisition	\$3.7 million	
Affordable Housing Set Aside	\$2 million	\$7.3 million
Unencumbered Legacy Balance	\$10 million	
Total	\$36.8 million	\$40.8 million

City Reserves as of June 30, 2024

Unrestricted Funds:



Economic Uncertainty
General Fund Reserve
(20% of operating budget)



CEIF Legacy Fund
\$26.8M allocated to Legacy
projects
\$10M unencumbered balance



Capital Facilities Reserve
\$20M reserved for Mills Crossing
\$5M reserved City Hall Space
Planning



Infrastructure Capital Fund
Allocated annually into CIP

Other City Funds as of June 30, 2024

Special Revenue Funds:



CFF Community Facilities Impact Fees
\$10M reserved for Mills Crossing



CFF Library Impact Fees
Funds available for future library to serve growing population



Affordable Housing Impact Fees
Funds available for affordable housing projects



Community Renovation Fees
\$3.5M reserved for Little League

Community Needs Assessment

- Theatre Projects completed a Needs Assessment in 2023 for Mills Crossing:

Needs Assessment	Mills Crossing Project
Flexible Performance & Event Space (300 seats)	Included in Proposed Design
Small Individual Artist Studio Space (Six 100 sq ft studios)	<u>Not Included in Proposed Design</u>
Large Individual & Small Group Arts Studio Space (Two 400 sq ft studios)	Four Flex Studios/Classroom space (~800 sf each) in Proposed Design
Classroom Space (1,350 sq ft)	Four Flex Studios/Classroom space (~800 sf each). 2 nd floor can flex to be one 1,600 sf classroom space.
Gallery Space (Large – 2,000 sq ft; Small – Three 500 sq ft)	2,000 sf 1 st floor lobby with Gallery and 2,500 sf 2 nd floor lobby with Gallery in Proposed Design
Rehearsal Studio (2,600 sq ft)	1,600 sf Rehearsal Space to match the Theater Stage in Proposed Design
Individual Music Rehearsal Rooms (One 50 sq ft, One 60 sq ft & 90 sq ft)	Can be accommodated in the Flex Studios in Proposed Design
Large Music Rehearsal Room (180 sq ft)	Can be accommodated in the Flex Studios in Proposed Design

*Study was completed with a 35,000 sq ft building in mind

MILLS CROSSING

Rancho Cordova, CA



Pending:
2020-22



In Progress:
2022-25



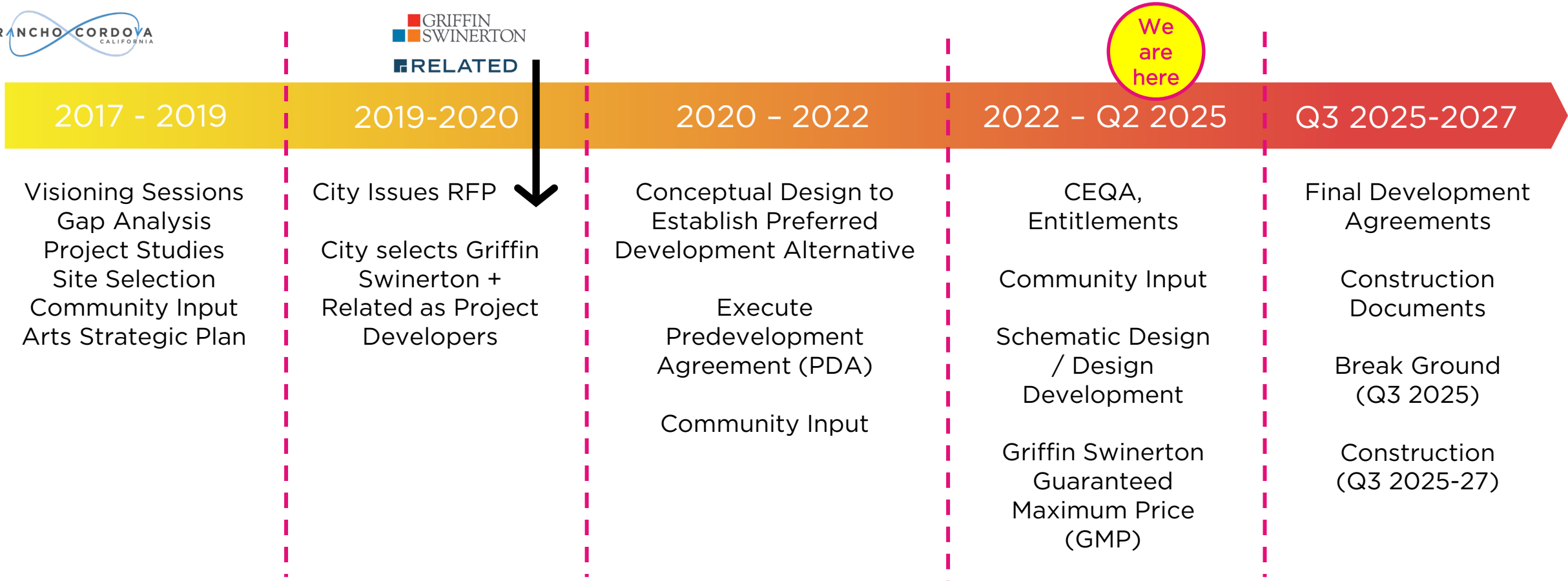
Completion:
2026-27



ITEM 3.1. Key Accomplishments to Date

ATTACHMENT 1

- Secured \$16M of grant funds
- SACOG recognized Mills Crossing as a Top 10 project to watch in the Sacramento Region (2023)
- Robust community outreach, surveys, and design charrettes
- Established key partnerships (anchor office tenants, health and wellness, arts organizations, Folsom Lake College, etc.)
- Approvals: finalizing EIR and City entitlements
- Advanced Design – nearing completion of Design Development

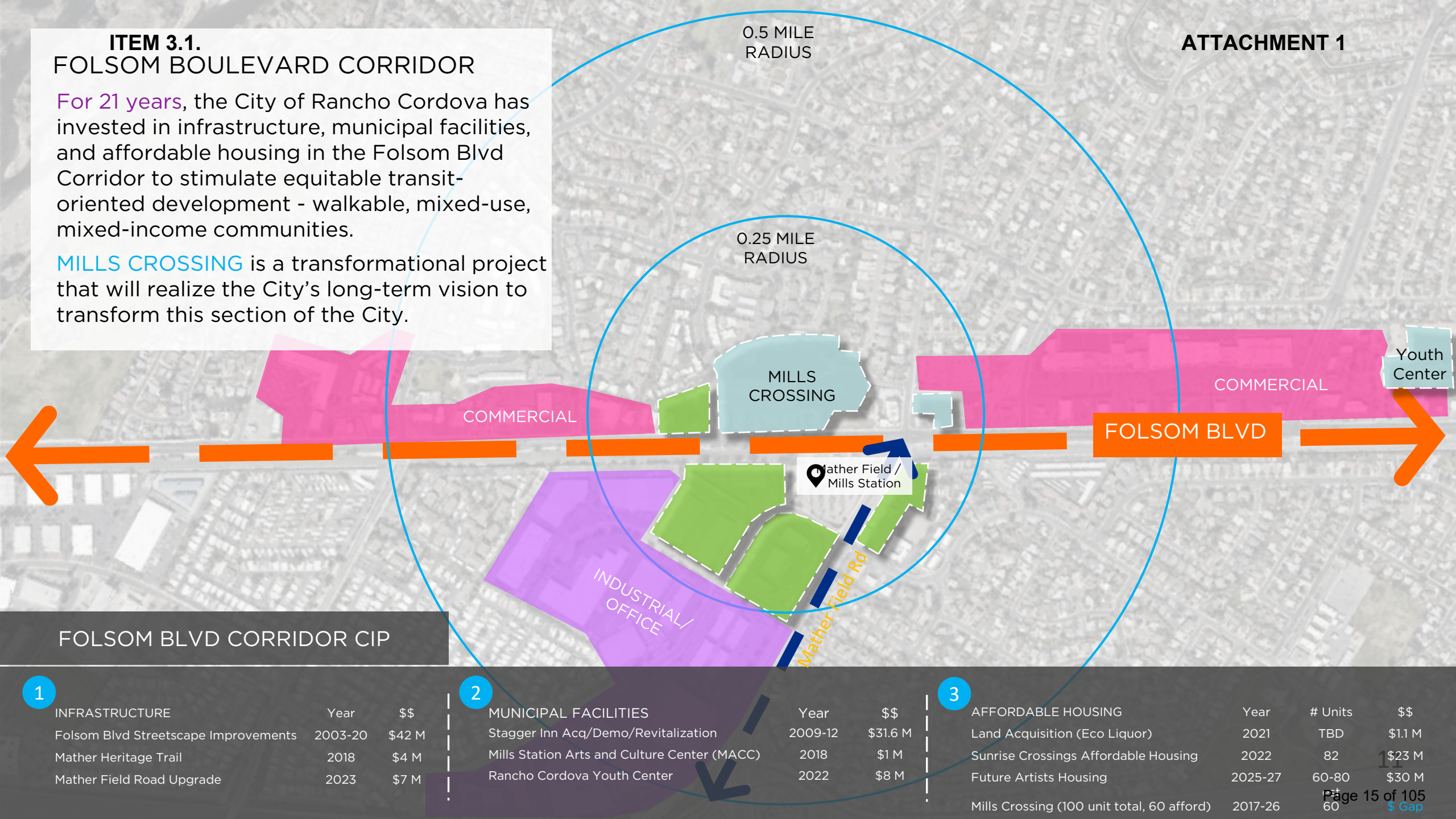


Key Council & Community Themes:
Community Amenity & Economic Development

ITEM 3.1.
FOLSOM BOULEVARD CORRIDOR

For 21 years, the City of Rancho Cordova has invested in infrastructure, municipal facilities, and affordable housing in the Folsom Blvd Corridor to stimulate equitable transit-oriented development - walkable, mixed-use, mixed-income communities.

MILLS CROSSING is a transformational project that will realize the City’s long-term vision to transform this section of the City.



FOLSOM BLVD CORRIDOR CIP

1

INFRASTRUCTURE

	Year	\$\$
Folsom Blvd Streetscape Improvements	2003-20	\$42 M
Mather Heritage Trail	2018	\$4 M
Mather Field Road Upgrade	2023	\$7 M

2

MUNICIPAL FACILITIES

	Year	\$\$
Stagger Inn Acq/Demo/Revitalization	2009-12	\$31.6 M
Mills Station Arts and Culture Center (MACC)	2018	\$1 M
Rancho Cordova Youth Center	2022	\$8 M

3

AFFORDABLE HOUSING

	Year	# Units	\$\$
Land Acquisition (Eco Liquor)	2021	TBD	\$1.1 M
Sunrise Crossings Affordable Housing	2022	82	\$23 M
Future Artists Housing	2025-27	60-80	\$30 M
Mills Crossing (100 unit total, 60 afford)	2017-26	60	\$60 M

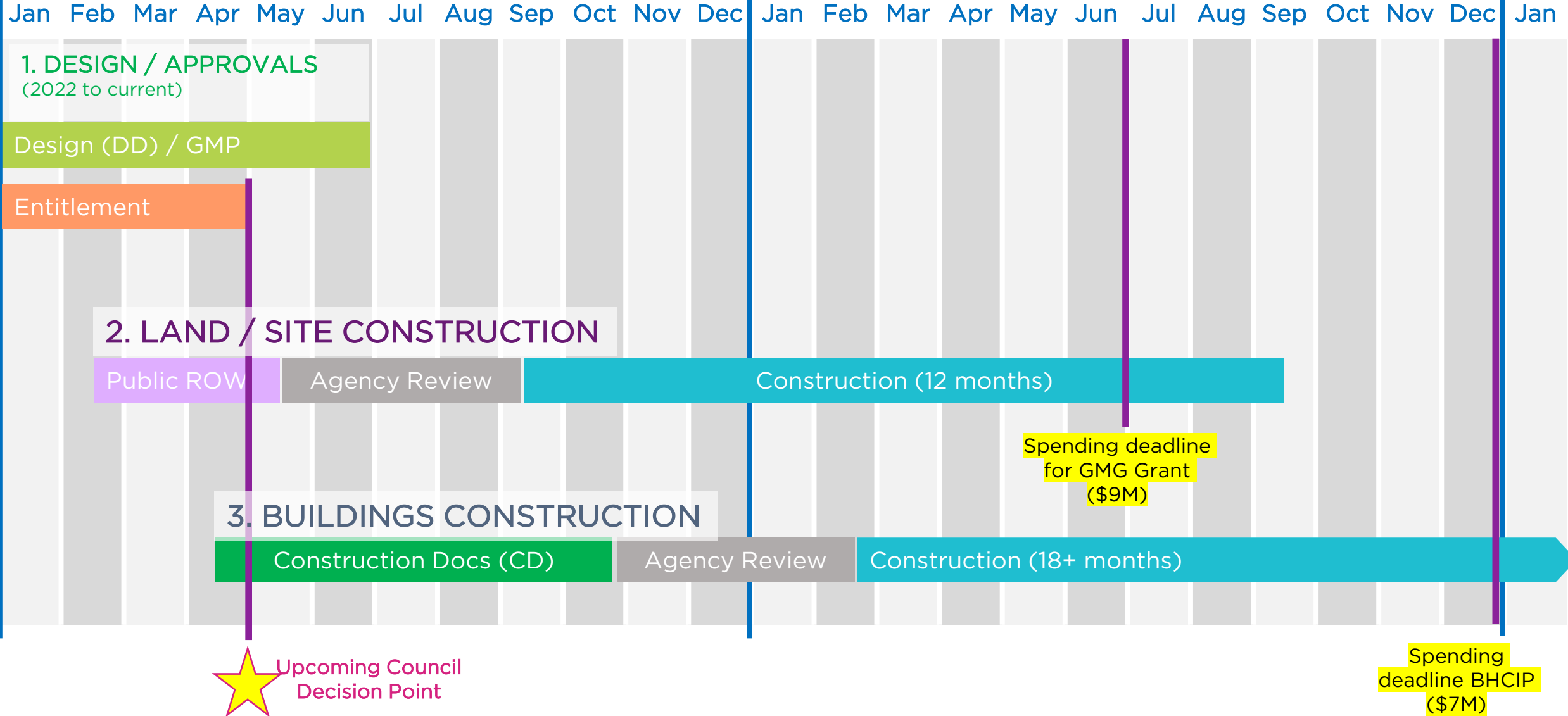
Rancho Cordova Center
Folsom Lake College

Mills Crossing

The Art Block

The MACC

The Art Block from the 2019 Arts Strategic Plan



PROJECT OVERVIEW

Site Plan

Building 1

Building 2

Building 3

Open Space

Housing

Parking



10-acre City-owned Site

La Loma Dr

EL CA

El Caprice Dr

Folsom Blvd

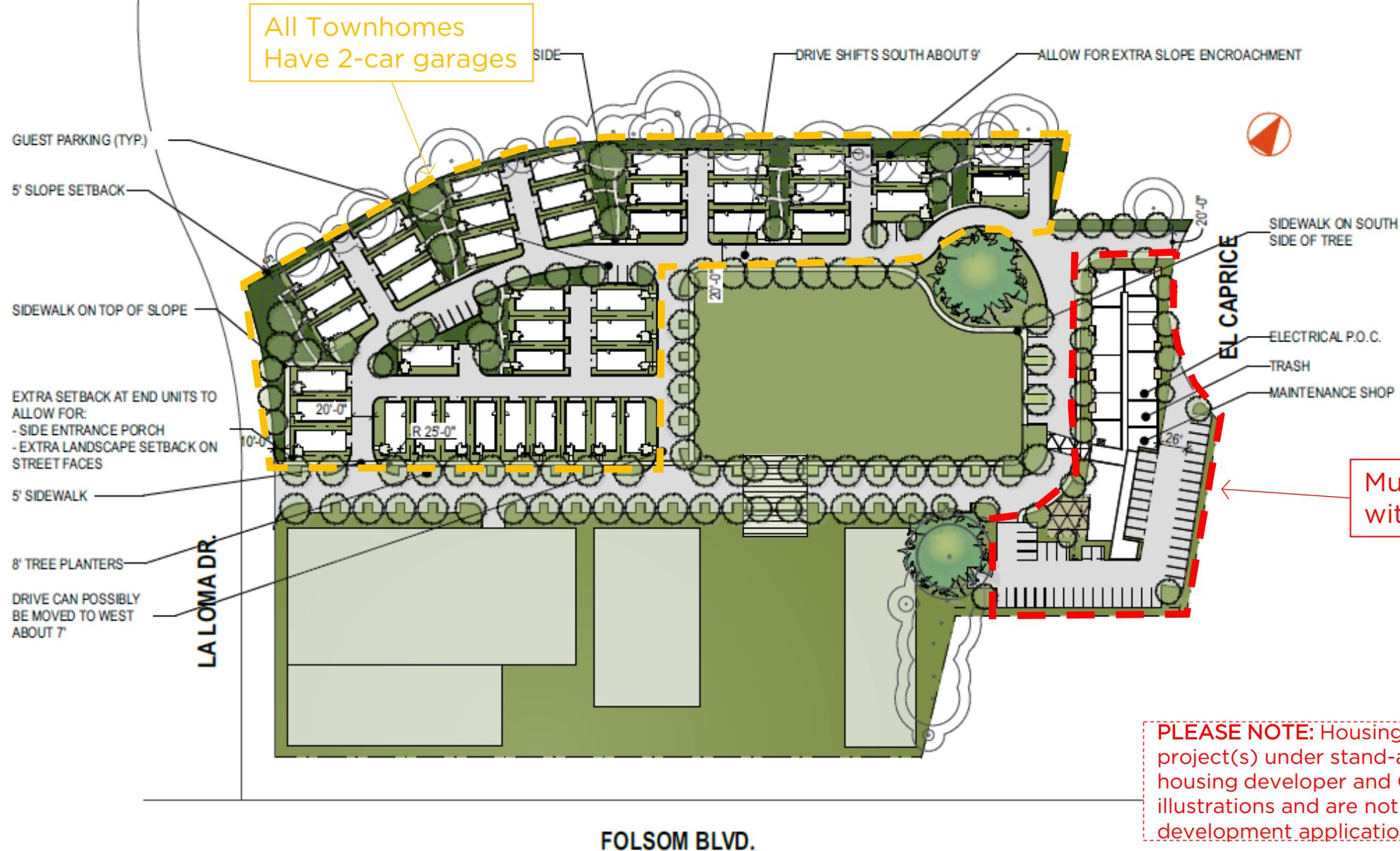
Folsom Blvd





ITEM 3.1. Housing: Illustrative Layout and Parking

ATTACHMENT 1



PLEASE NOTE: Housing will be built as a separate project(s) under stand-alone transactions with the housing developer and City. These are concept-level illustrations and are not proposed housing designs or development applications.

MILLS CROSSING with Illustrative Housing *(see note)*

ITEM 3.1.

PLEASE NOTE: Housing will be built as a separate project(s) under stand-alone transactions with the housing developer and City. These are concept-level illustrations and are not proposed housing designs or development applications.

ATTACHMENT 1

A World Class TOD
Community Hub

Community
Amenity

Economic
Development

Est. **\$160M** of
combined
investment





PROJECT OVERVIEW

Site Plan

Building 1

Building 2

Building 3

Open Space

Housing

Parking









Size	36,000 SF
Cost	\$30,000,000
Programming / Occupancy	Anchor Office: 21,000 SF Community Health: 15,000 SF



Serving
 the
 City's
 Goals

Economic Development

Class A Office Building on Folsom Blvd

New Value to City – a long-term appreciating asset

Improving the environment on Folsom Blvd

Community Amenity

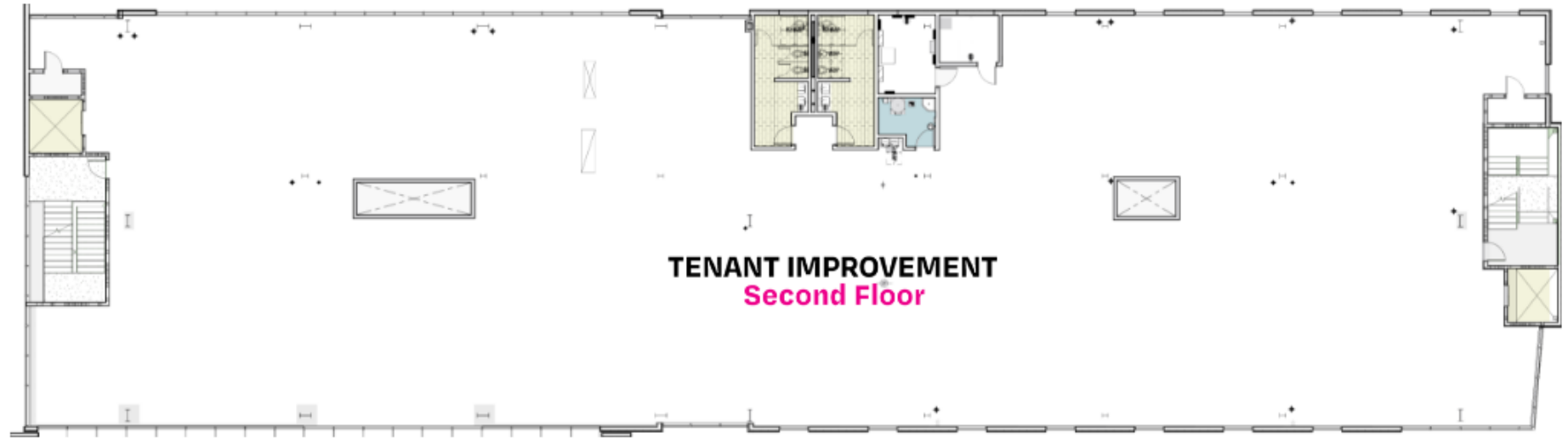
Fulfilling community desires for youth and adult physical & mental health services

Health services to a medically underserved section of the City

Building 1 - Floor Plans



- Porcelain Tile 12x24
Restrooms
Elevator Cab
- SDT (Static Dissipative Tile)
IDF room
- Sealed Concrete
Exit Stairs
MDF
Fire Riser Rm
- Sheet Vinyl
Custodial Room



- Porcelain Tile 12x24
Restrooms
Elevator Cab
- SDT (Static Dissipative Tile)
IDF room
- Sealed Concrete
Exit Stairs
MDF
Fire Riser Rm
- Sheet Vinyl
Custodial Room

BUILDING 1

ACTIVITY LEVELS BY TIME OF DAY



OFFICE MGMT & ADMIN STAFF



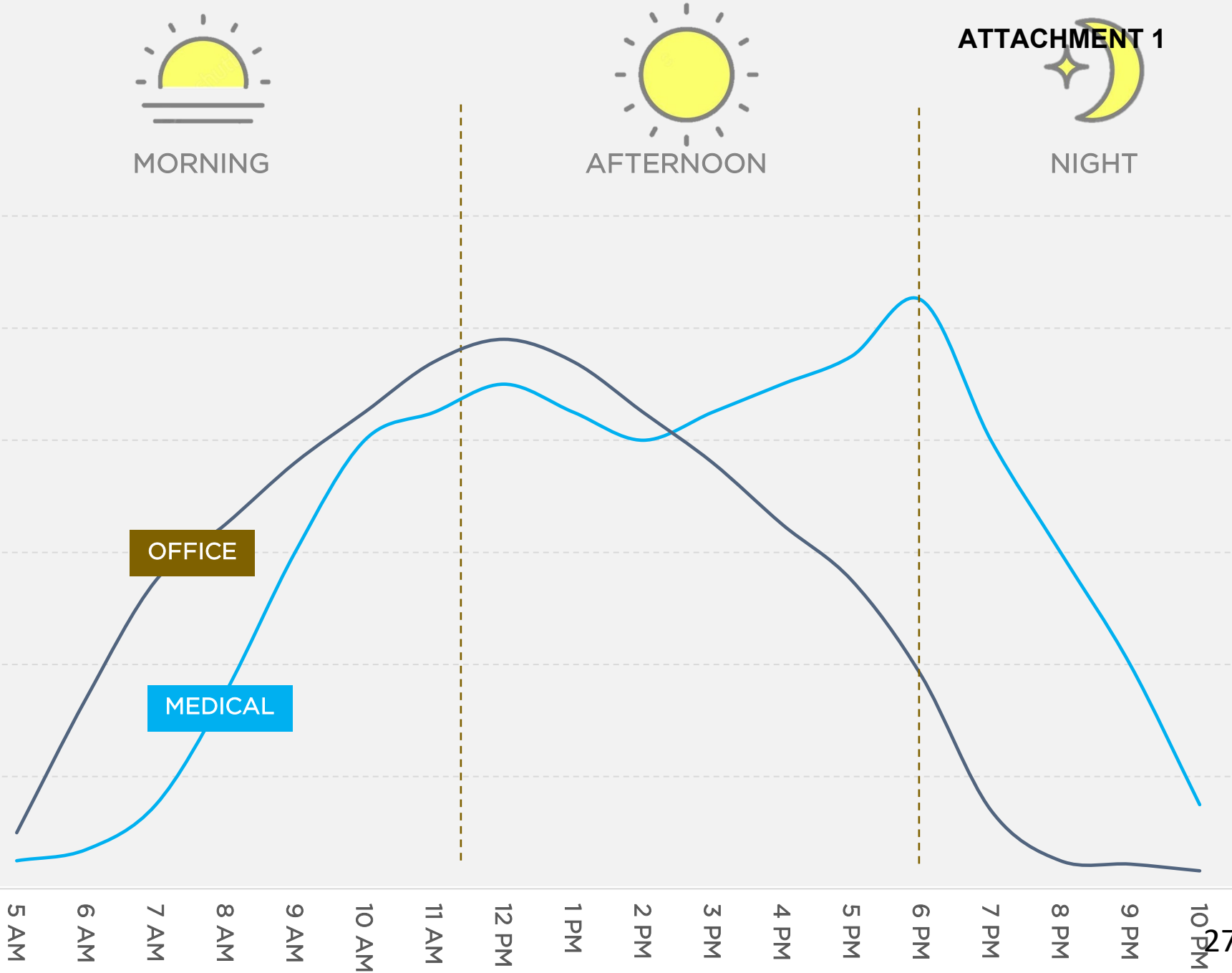
OFFICE VISITORS & VENDORS



DOCTORS, NURSES, SPECIALISTS, & ADMIN STAFF



MEDICAL & BEHAVIORAL HEALTH PATIENTS



ATTACHMENT 1

PROJECT OVERVIEW

Site Plan

Building 1

Building 2

Building 3

Open Space

Housing

Parking









Size	27,500 SF
Cost	\$45,000,000
Programming / Occupancy	Black Box Theater Rehearsal Space Classrooms Exhibit Space Flex Studios Concessions Pre-function/Lobby Theater Support Roof Top Deck



Serving
the City's
Goals

Community Amenity

Supporting the City's
local performance &
visual arts community

Youth and adult
programming, events,
and classes

Economic Development

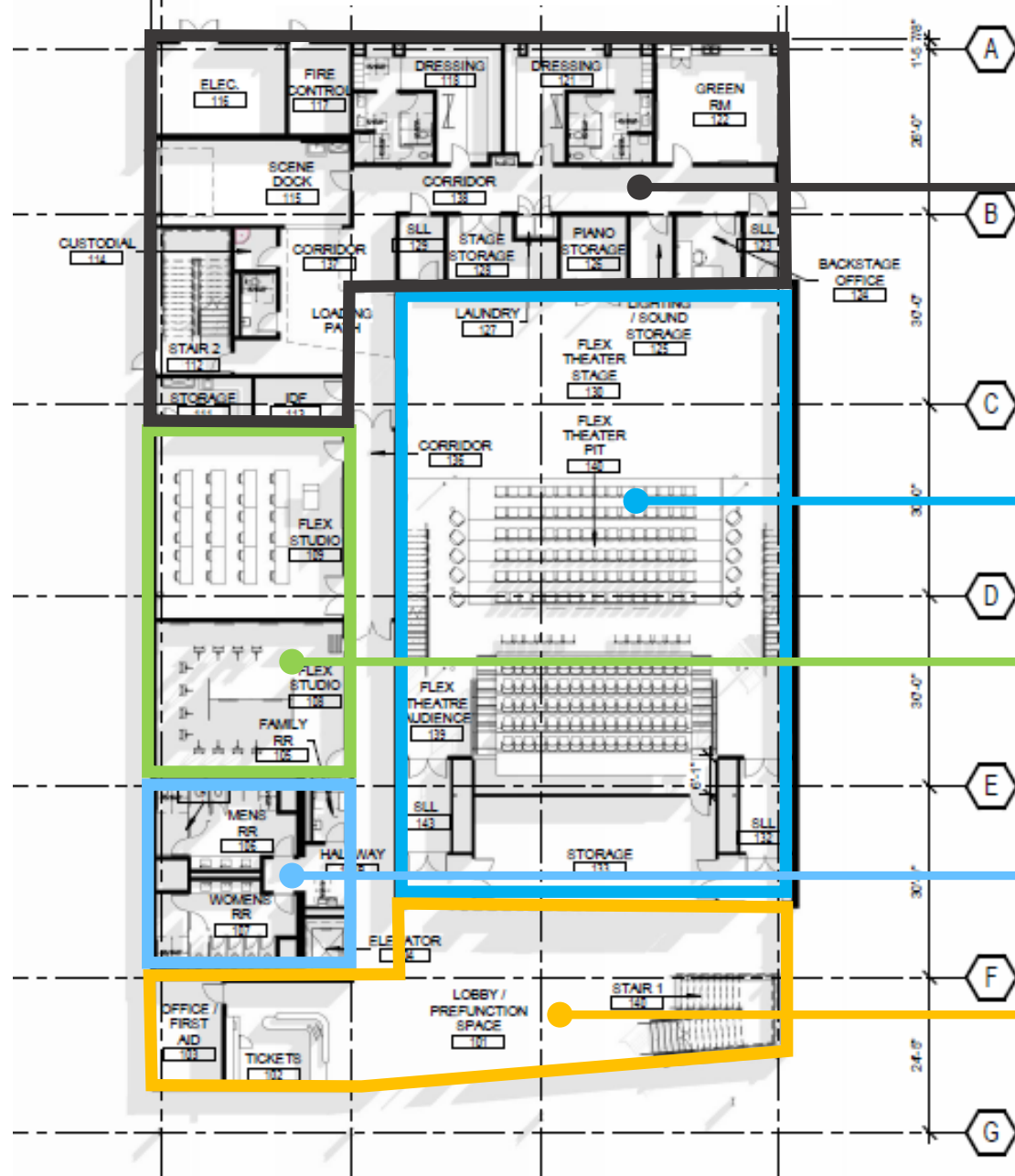
The arts create
community, a sense
of place, and catalyze
investment

Creating a regional
destination
connected to transit

ITEM 3.1. FIRST LEVEL

ATTACHMENT 1

1st



Support / Storage / Admin

Theater
ceiling height spans two floors

Flexible Studios / Exhibit / Classrooms

Restrooms, Elevator

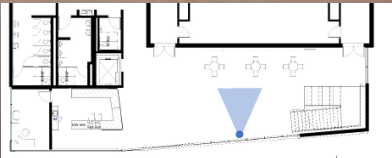
Lobby / Concessions / Pre-function /
Flex Gallery / Office



FIRST FLOOR | LOBBY & PRE-FUNCTION SPACE



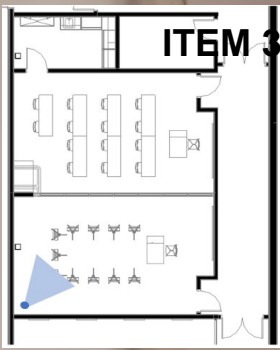
FIRST FLOOR | LOBBY & PRE-FUNCTION SPACE







FIRST FLOOR | THEATER VIEW FROM STAGE



ITEM 3.1.

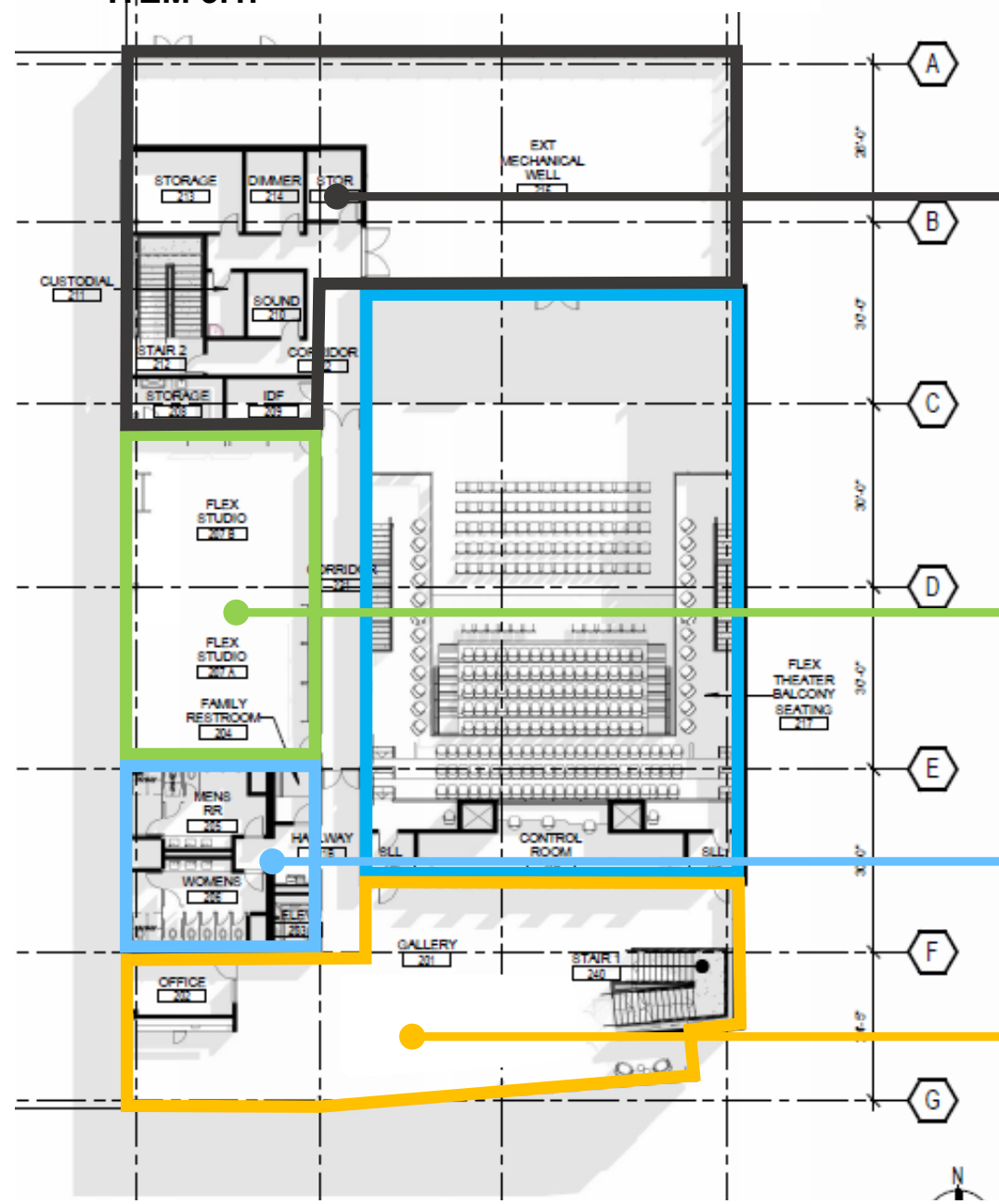
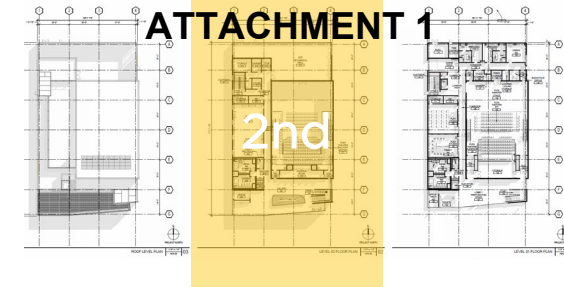
ATTACHMENT 1





ITEM 3.1. SECOND LEVEL

ATTACHMENT 1



Support / Mechanical

Flexible Studios / Rehearsal Space

Restrooms, Elevator

2nd Floor Pre-function / Flex Gallery / Office



SECOND FLOOR | THEATER VIEW FROM MEZZANINE



SECOND FLOOR | LOBBY & PRE-FUNCTION SPACE

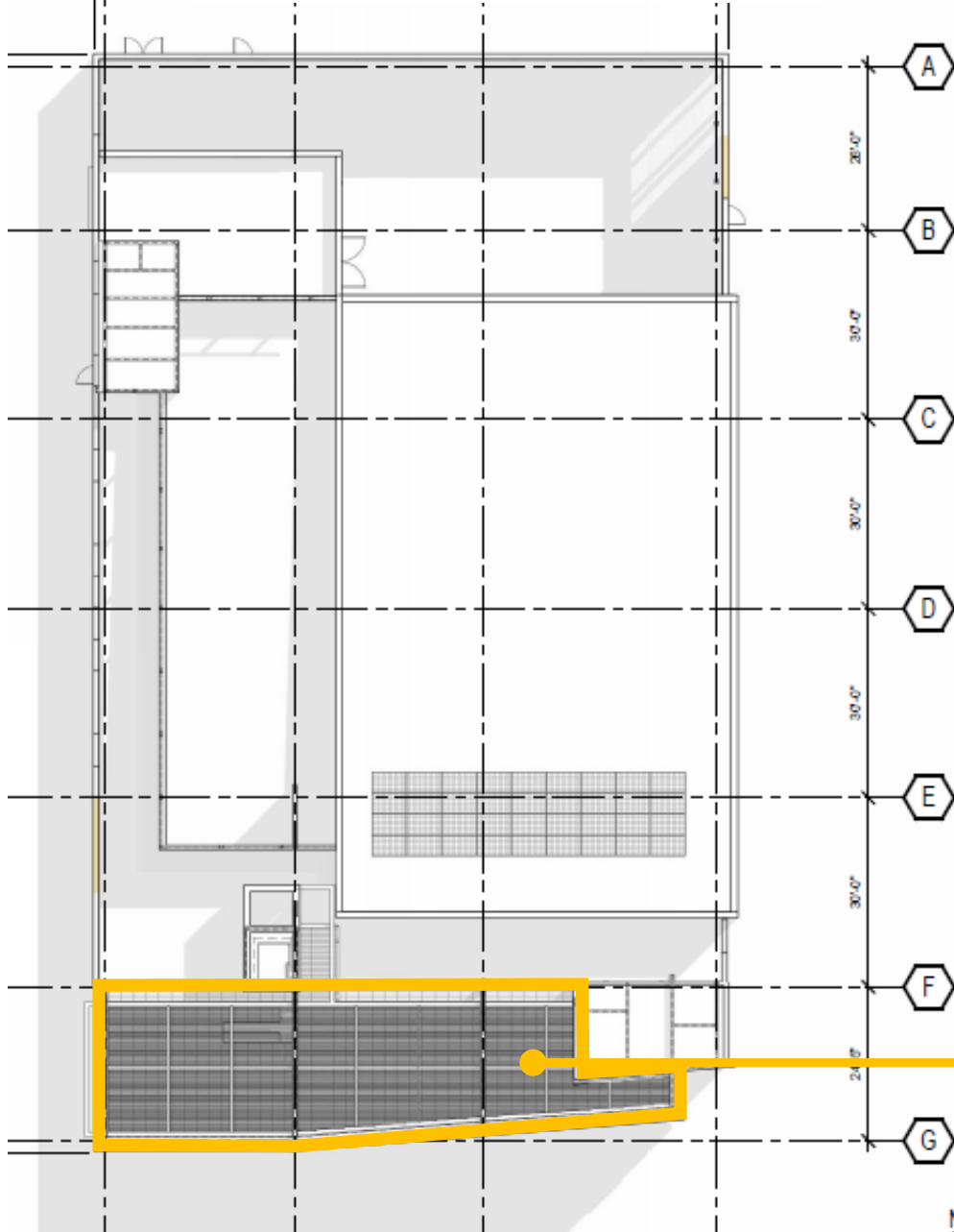




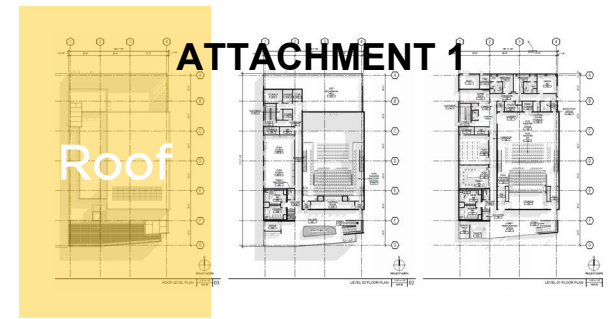
SECOND FLOOR | FLEX STUDIO & REHEARSAL SPACE

ITEM 3.1.

ROOF LEVEL



Roof deck



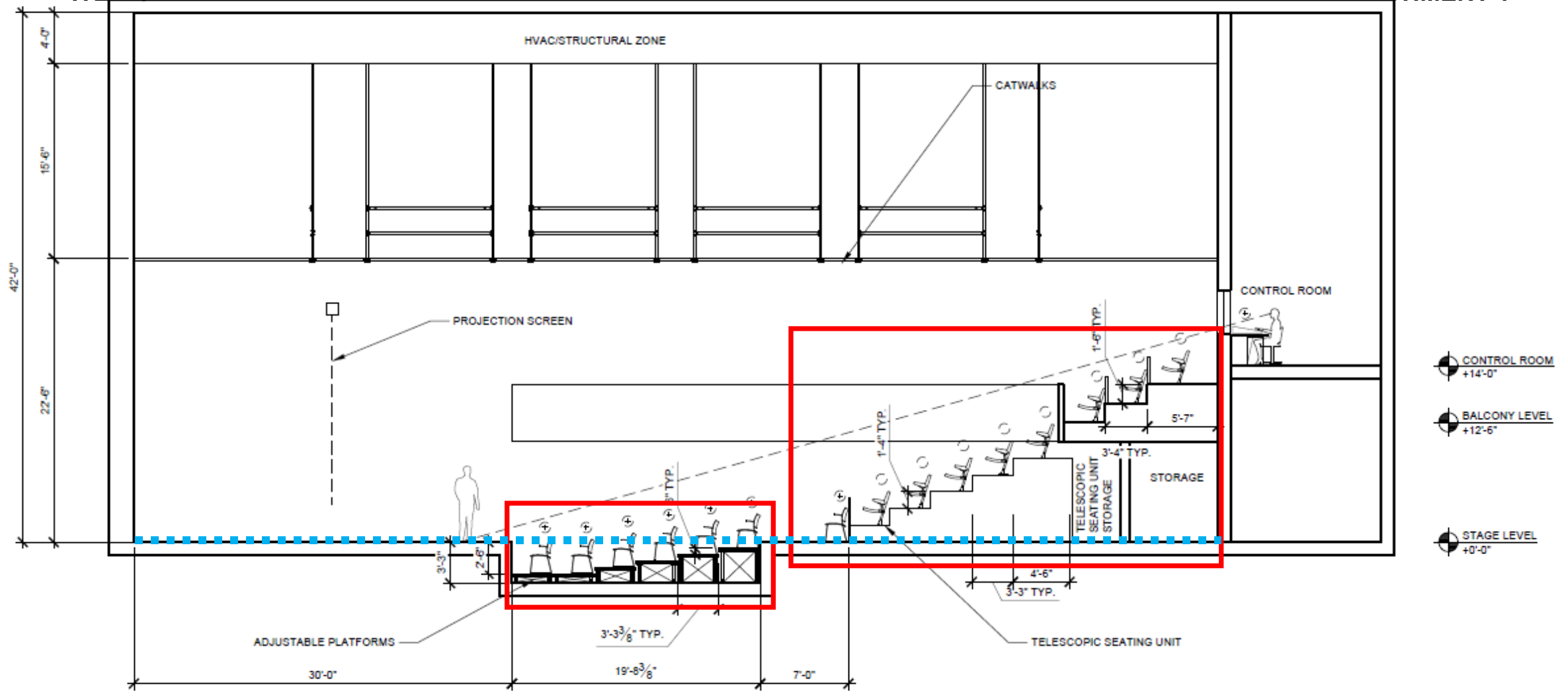




The Theater

Representative Imagery of its Flexible Design

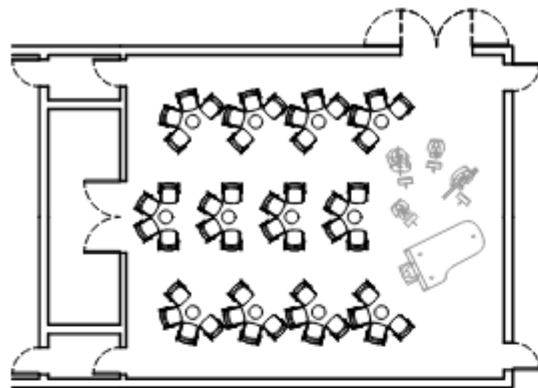




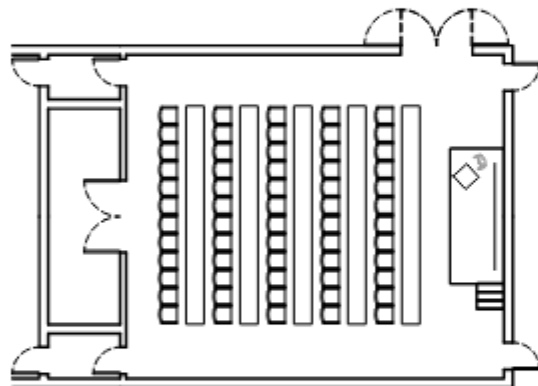
0' 8' SCALE: 1/8"=1'-0"

THEATER CONFIGURATIONS

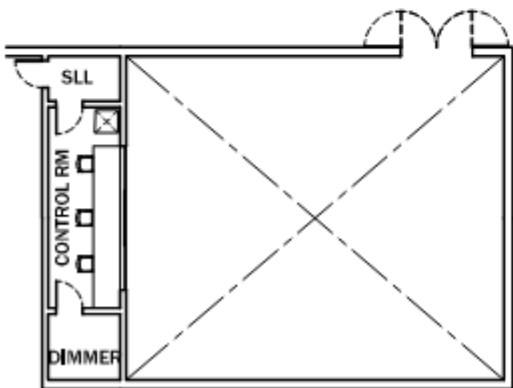
ITEM 3.1.



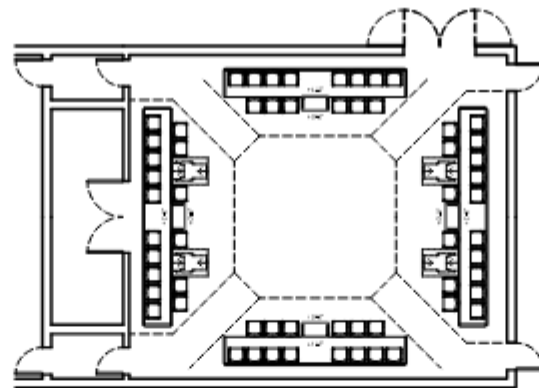
07 STAGE LEVEL PLAN - CABARET CONFIGURATION
1/16" = 1'-0"



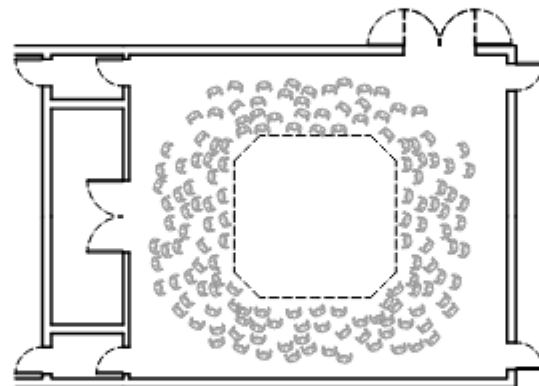
08 STAGE LEVEL PLAN - CLASSROOM/LECTURE CONFIGURATION
1/16" = 1'-0"



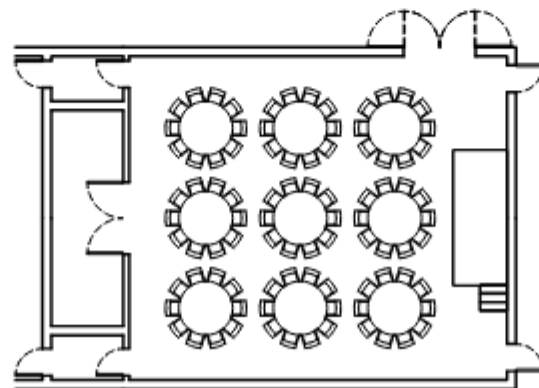
09 CONTROL ROOM LEVEL PLAN
1/16" = 1'-0"



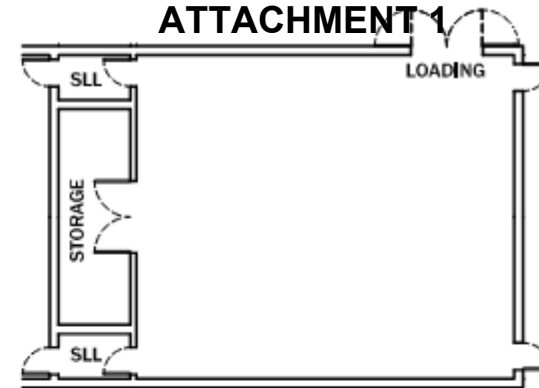
04 STAGE LEVEL PLAN - ARENA CONFIGURATION
1/16" = 1'-0"



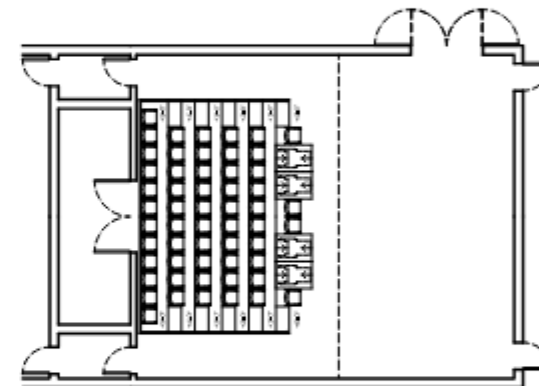
05 STAGE LEVEL PLAN - FREE FORM CONFIGURATION
1/16" = 1'-0"



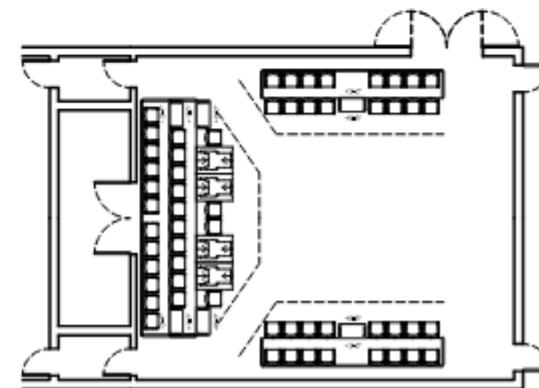
06 STAGE LEVEL PLAN - BANQUET CONFIGURATION
1/16" = 1'-0"



01 STAGE LEVEL PLAN - BASE ROOM GEOMETRY
1/16" = 1'-0"



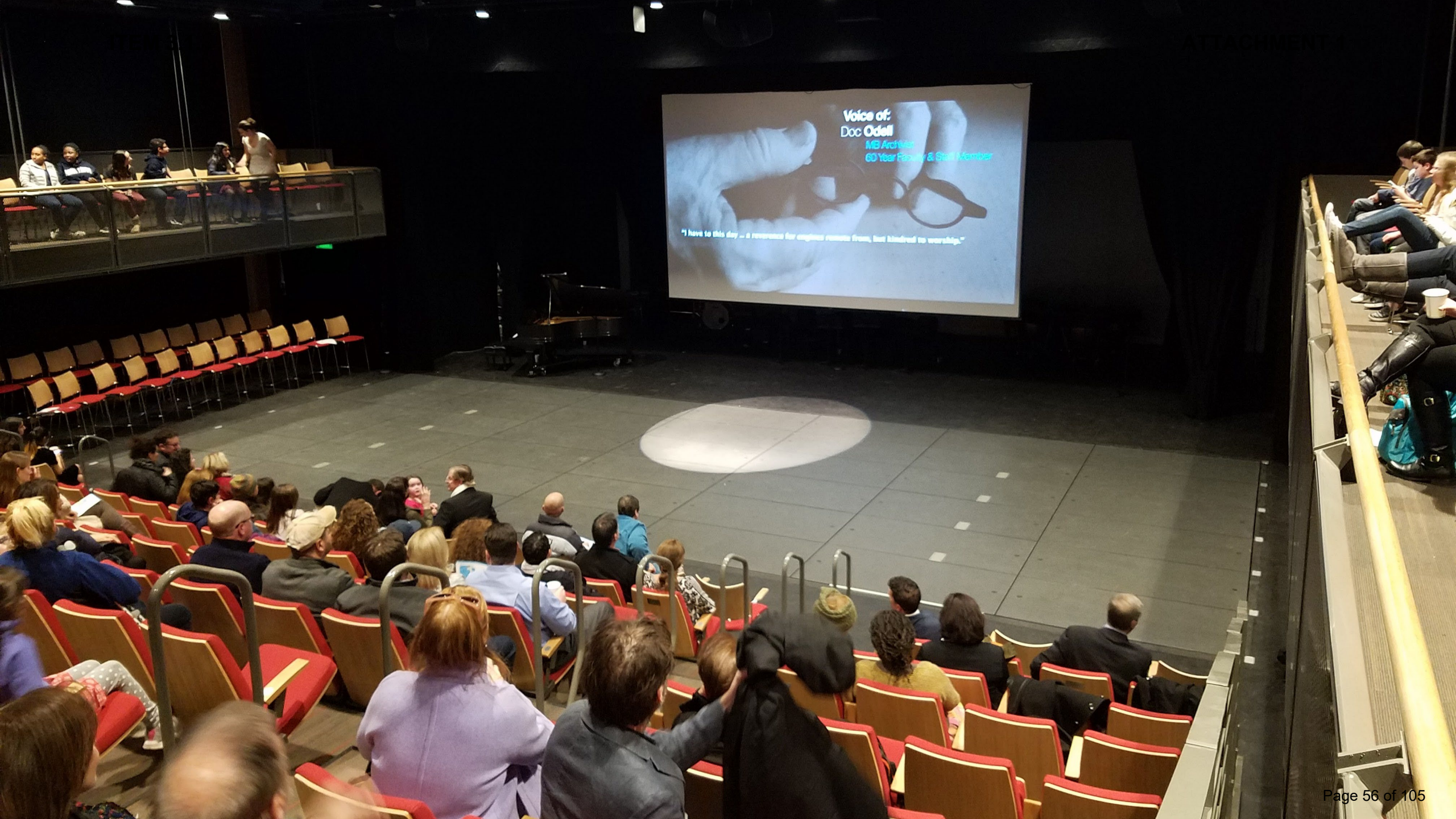
02 STAGE LEVEL PLAN - END STAGE CONFIGURATION
1/16" = 1'-0"



03 STAGE LEVEL PLAN - THRUST CONFIGURATION
1/16" = 1'-0"

ATTACHMENT 1





Voice of:
Doc Odell
MB Archivist
60 Year Faculty & Staff Member

"I have to this day ... a reverence for engines remains from, but hindered to worshiping."





Building 2 Potential Users

30+ organizations identified as potential users during outreach

High End Regional Performing Arts Center Touring Shows Film Festivals Big Names	Community Theater Local Groups Bands Arts Education
Community Rentals Dance Groups Corporate Events Resident Events City Events (State of the City, etc.)	Balance of uses: 75%/25% 80%/20% Balance affects revenue and operating costs

Building 2 Outreach & Research

- AMS Research & Planning – Needs Assessment/Survey (2018/19)
- Arts Strategic Plan (2019)
- AMS Updated Survey and Business Plan (2020/21)
- Theater Projects outreach survey (March 2023)
- Mills Station Art & Culture Center (August 2024)
- Rancho Cordova Arts Council (October 2024)
- School of the Arts (November 2024)
- Hummingbird Theatre Company (November 2024)
- California Capital Arts Foundation (November 2024)
- Tour Cordova HS PAC (November 2024)
- Cal Cap Film Studios (November 2024)

BUILDING 2

ACTIVITY LEVELS BY TIME OF DAY



ARTS
MGMT &
ADMIN



TECHNICIANS
& SUPPORT



STUDENTS
(YOUTH & ADULTS)



ARTISTS
(e.g., PAINTERS,
SCULPTORS, etc.)



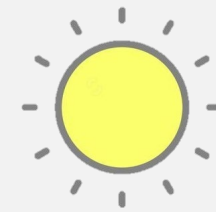
SHOW / GALLERY
ATTENDEES



PERFORMERS &
CREW



MORNING



AFTERNOON



ATTACHMENT 1

NIGHT



PROJECT OVERVIEW

Site Plan

Building 1

Building 2

Building 3

Open Space

Housing

Parking











BUILDING 3 | COMMUNITY EVENTS w/ SMALL CAFÉ/SHOP

ATTACHMENT 1

Size	9,600 SF
Cost	\$12,000,000
Programming / Occupancy	Event Hall for 250-300 attendees Catering Kitchen Support/Office Storage Restrooms Leased Café/Food



Serving the City's Goals

Community Amenity

Event venue that holds 250 - 300+ attendees

Indoor-outdoor design creates a unique gathering place

Economic Development

The café/shop is a draw for people to stay onsite while generating economic activity in the City

Creates brand new integrated event-retail facilities to upgrade the area

BUILDING 3 | INTERIOR SPACES

Event Hall
(300 seats)

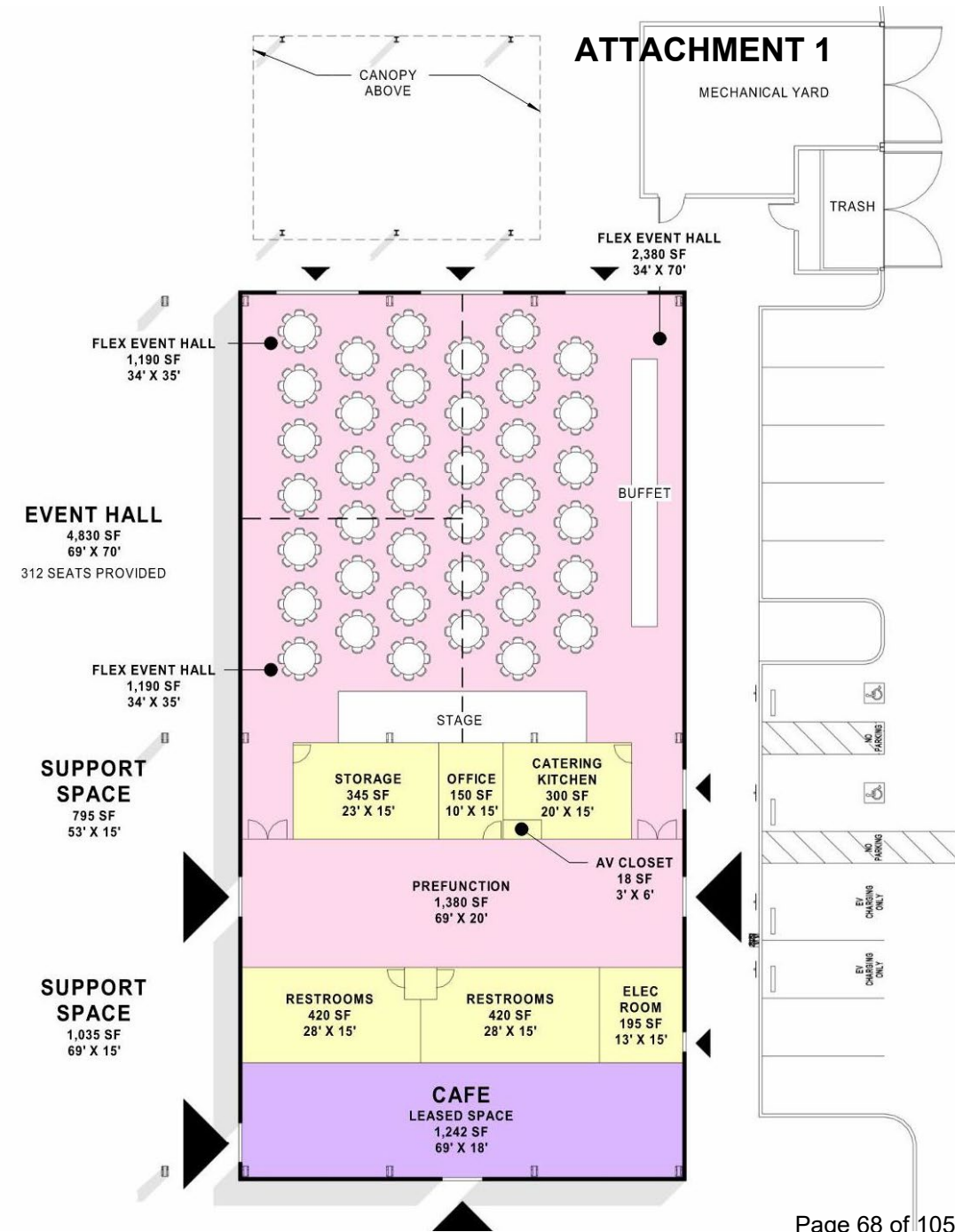
Pre-function
Space



Catering
Kitchen

Support
/ Office

Community
Café/Shop





BUILDING 3
ACTIVITY LEVELS
BY TIME OF DAY



MGMT & ADMIN
SUPPORT



TECHNICIANS
& SUPPORT



EVENT
ORGANIZERS



CAFÉ / SHOP
STAFF



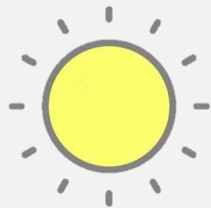
EVENT
ATTENDEES



CAFÉ / SHOP
CUSTOMERS



MORNING

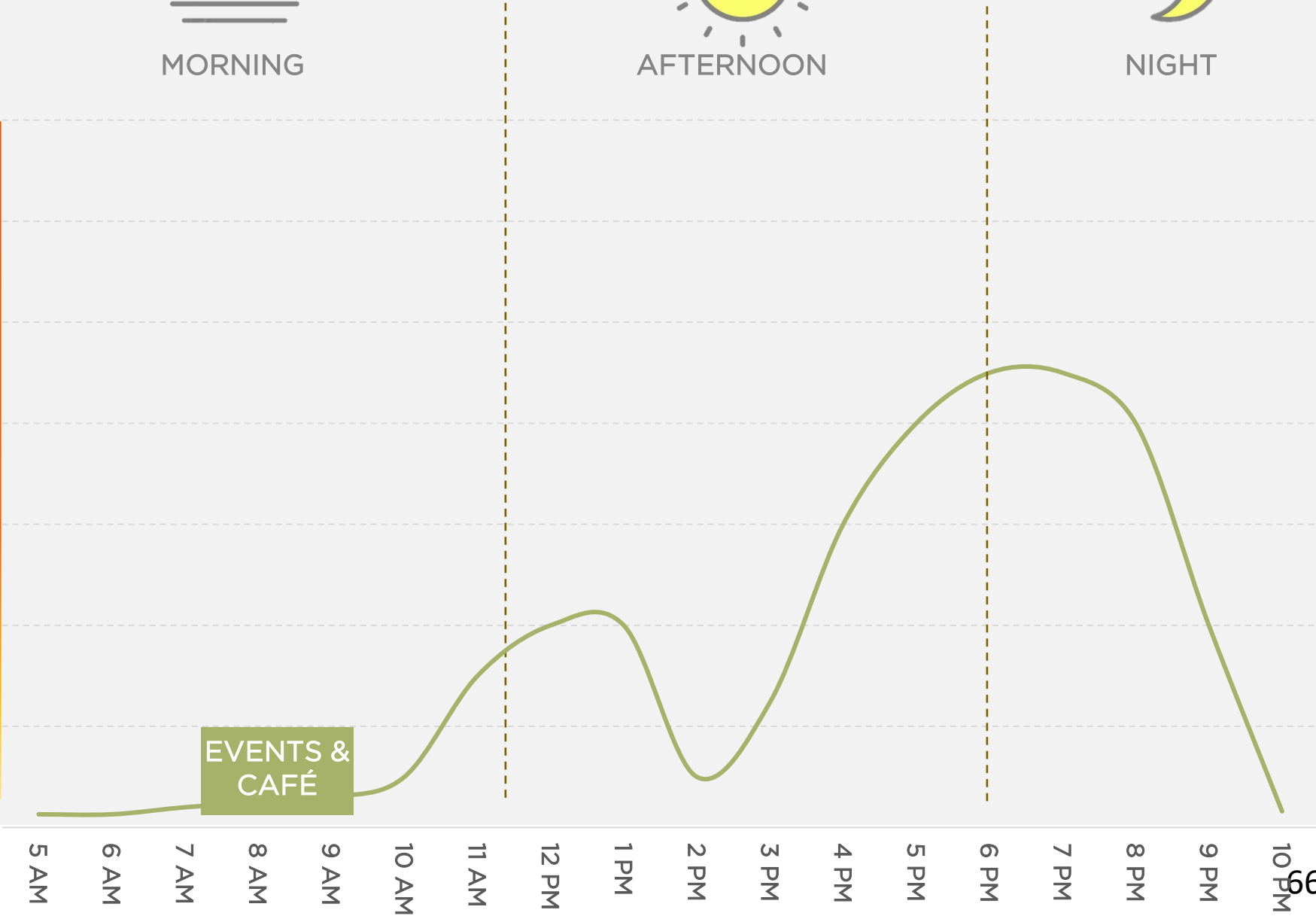


AFTERNOON



ATTACHMENT 1

NIGHT



PROJECT OVERVIEW

Site Plan

Building 1

Building 2

Building 3

Open Space

Housing

Parking



ITEM 3.1.

ATTACHMENT 1

Program Elements

- ① Main entry w passive safety-security
- ② Theater outdoor pre-function area
- ③ Event lawn
- ④ Trellis with flexible outdoor event space
- ⑤ Festival street
- ⑥ Parking lot integrated into project green
- ⑦ Mini pedestrian plaza
- ⑧ Wellness loop
- ⑨ Hangout hill
- ⑩ Interpretive features for planted areas
- ⑪ Small garden seating nook
- ⑫ Additional parking w flexibility for hosting events & food trucks









Size	2.5 acres <i>(combined)</i>
Cost	\$21,000,000 All site infrastructure & open space
Programming / Occupancy	Main Plaza Project Green w wellness loop and mini-plaza Central Festival Street can be closed for street fairs



Serving the
City’s
Goals

Community Amenity

- | | | | |
|---|--|-------------------------------------|--|
| Ample open / green space promotes health & wellness | Spaces for outdoor events and outdoor projection | Public Art and outdoor performances | Walking paths, gathering spaces and passive spaces |
|---|--|-------------------------------------|--|

ITEM 3.1. **PUBLIC SPACE** ACTIVITY LEVELS BY TIME OF DAY



COMMUNITY MEMBERS



STUDENTS
(YOUTH & ADULTS)



MILLS CROSSING RESIDENTS



EVENT ATTENDEES



ARTS OUTDOOR PARTICIPANTS



CAFÉ / SHOP CUSTOMERS



MORNING



AFTERNOON



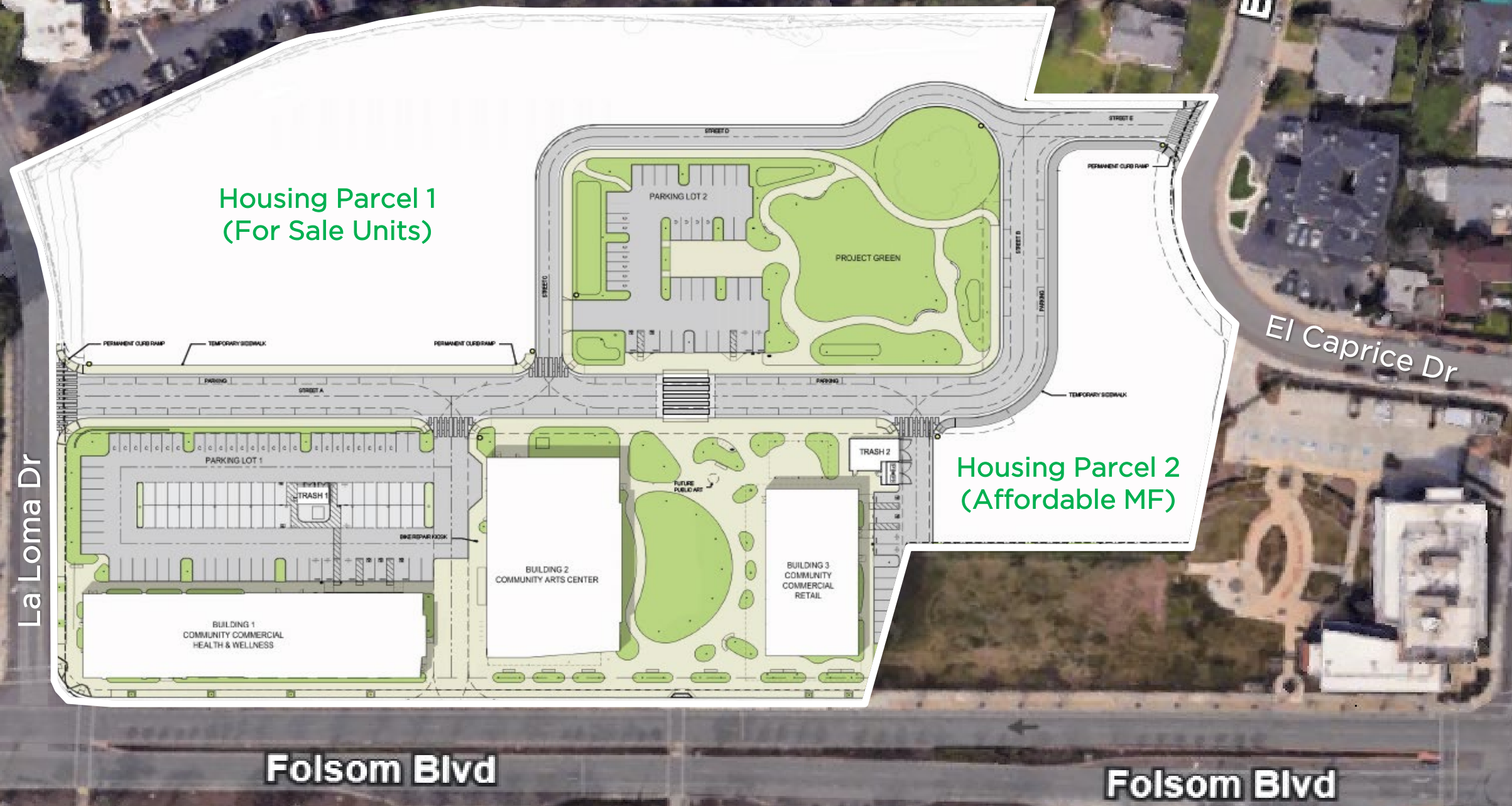
ATTACHMENT 1

NIGHT

PROJECT OVERVIEW

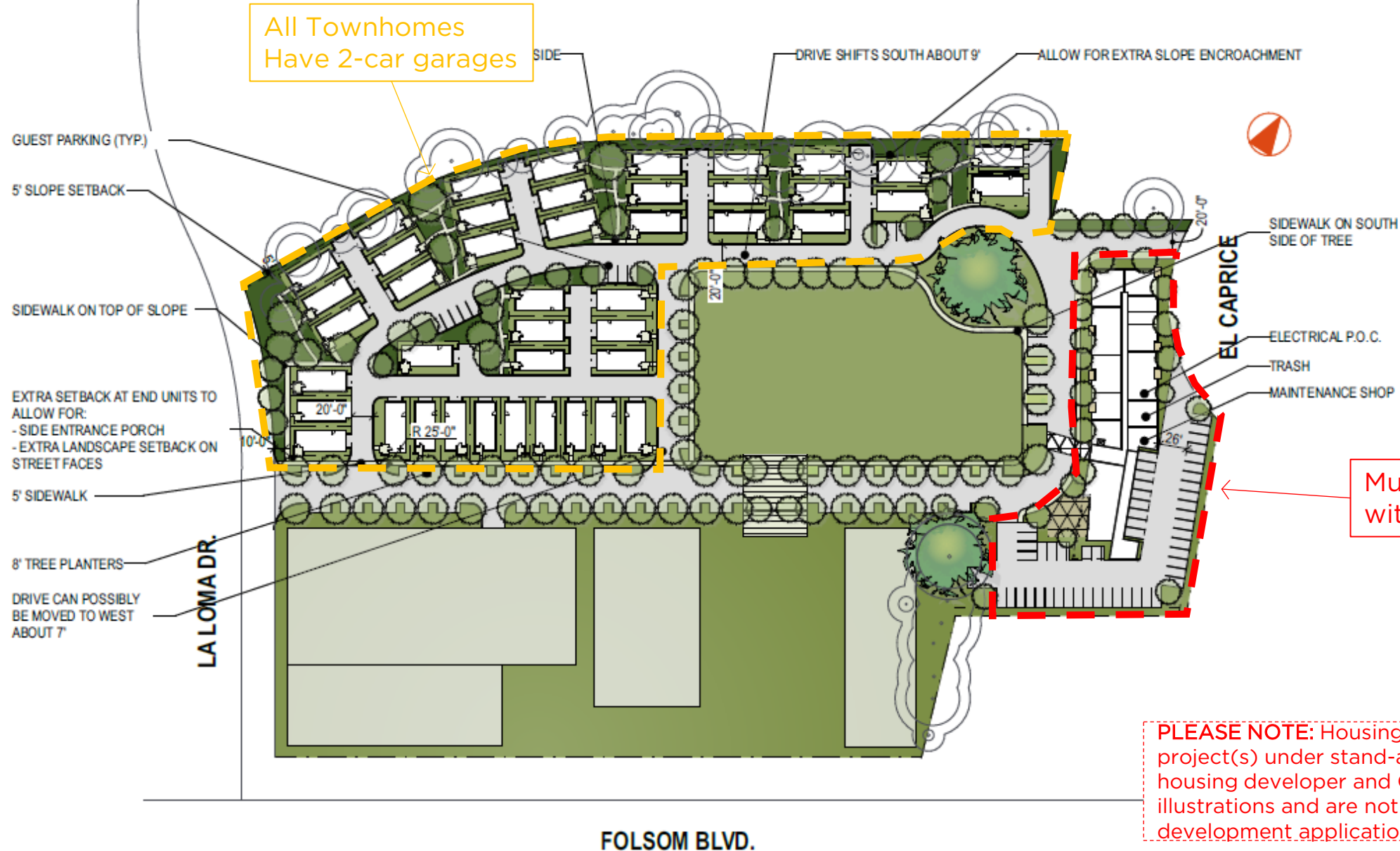
- Site Plan
- Building 1
- Building 2
- Building 3
- Open Space
- Housing
- Parking





ITEM 3.1. Housing: Illustrative Layout and Parking

ATTACHMENT 1



PLEASE NOTE: Housing will be built as a separate project(s) under stand-alone transactions with the housing developer and City. These are concept-level illustrations and are not proposed housing designs or development applications.

MILLS CROSSING with Illustrative Housing *(see note)*

ITEM 3.1.

PLEASE NOTE: Housing will be built as a separate project(s) under stand-alone transactions with the housing developer and City. These are concept-level illustrations and are not proposed housing designs or development applications.

ATTACHMENT 1

A World Class TOD
Community Hub

Community
Amenity

Economic
Development

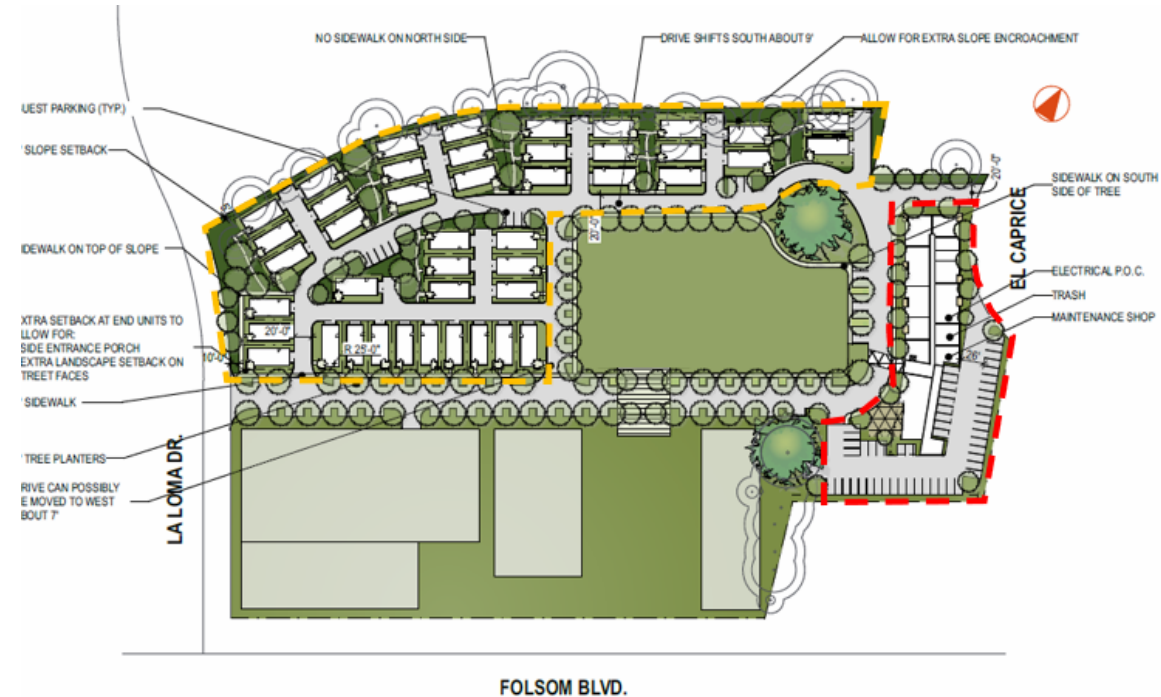
Est. **\$160M** of
combined
investment



MILES CROSSING HOUSING DEVELOPMENT

ATTACHMENT 1

For Sale Housing	
# Units	40-50 units
Est. Cost	\$20 million By Developer
Affordable MF	
# Units	55-60 units
Est. Cost	\$40 million



Serving
the
City's
Goals

Economic Development

New for-sale units bring homeowners to neighborhood

High quality new housing increases values in the region

Activity from residents supporting project amenities

Fiscal benefits to City: new property tax revenue

Community Amenity

Affordable multifamily housing serving needs of community

Consistent "eyes on the street" with residents' 24/7 presence

Affordable Multi-family

- 55 to 60 units
- Related California's affordable housing division is the developer
- Predevelopment underway, funded by PLHA Grant from City
- City contribution of approximately \$6M is currently anticipated
- Target near-term milestone – planning & funding applications

For-sale “Townhouse” Lots

- 40 to 50 units
- Due diligence and negotiations in 2025
- Related (and partners) execute development agreements with City in 2026

PROJECT OVERVIEW

Site Plan

Building 1

Building 2

Building 3

Open Space

Housing

Parking



ITEM 3.1. Project Parking Code Analysis

ATTACHMENT 1

Peak Parking Requirement = 254 Stalls (Based on Code Analysis)

Peak Parking Time of Day Demand Analysis = 170 Stalls

Code Allowed Parking Reduction Exemptions (23.719.080):

- Reduction for Parking Near Transit Stop: Allows 50% Reduction
- Parking in Mixed-Use Projects: Allows Peak Parking Demand Analysis
- Available Parking in Public or Common Area Lots: Potential City Lot
- *Additional Parking Reduction: Additional 30% Reduction Allowed*
(not proposed for this project)

ITEM 3.1.

Parking Demand Analysis

Figure 8 Time of Day Demand Projections for Non-Residential Uses: Baseline Weekday

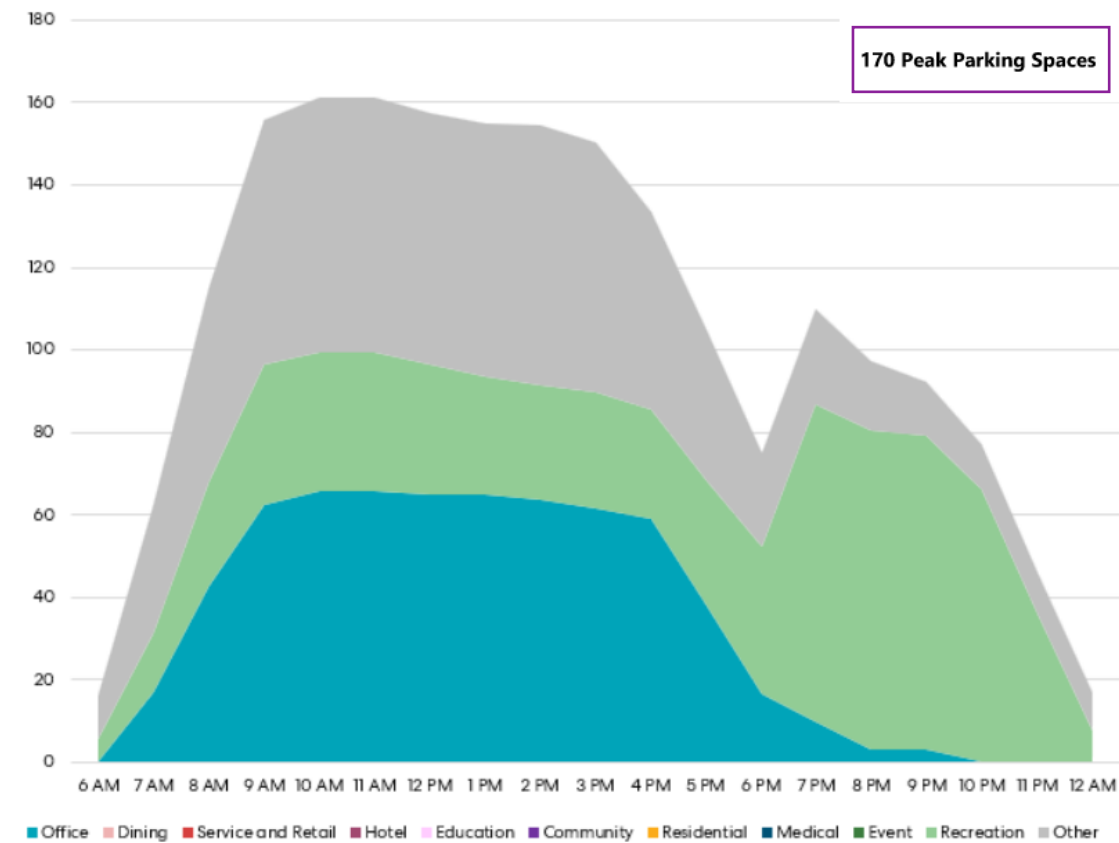
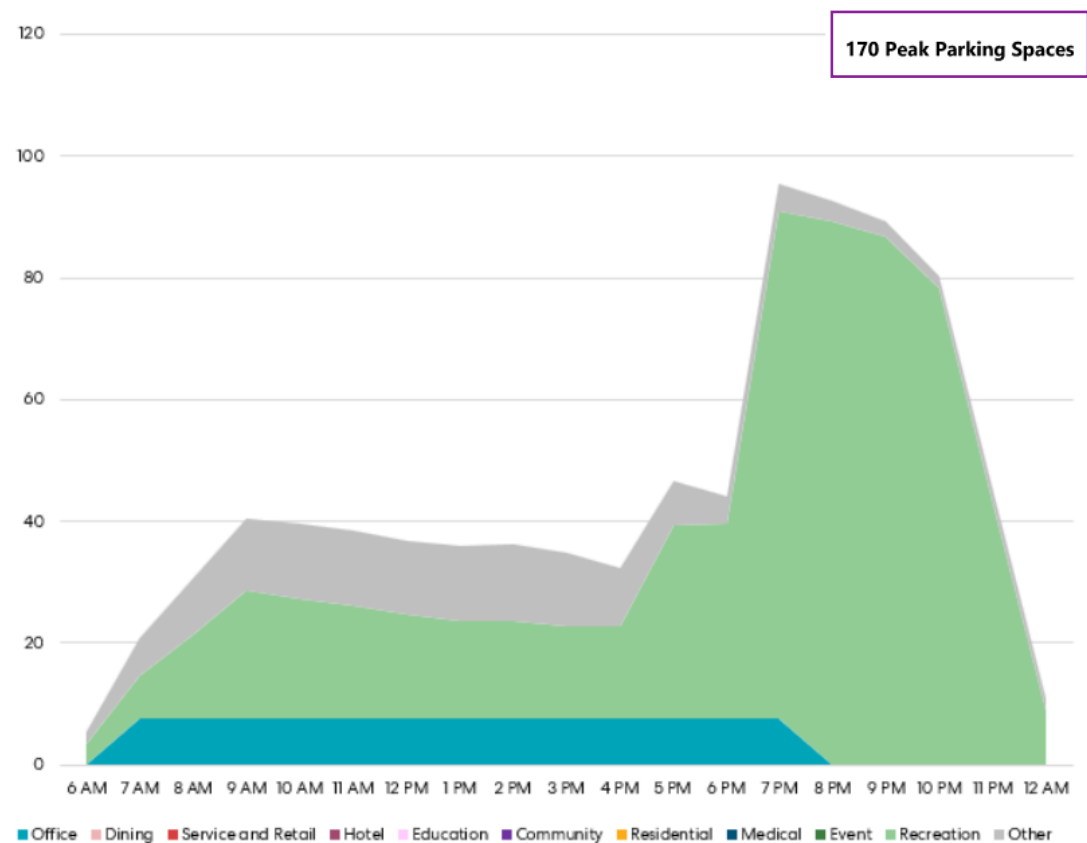


Figure 9 Time of Day Demand Projections for Non-Residential Uses: Baseline Weekend



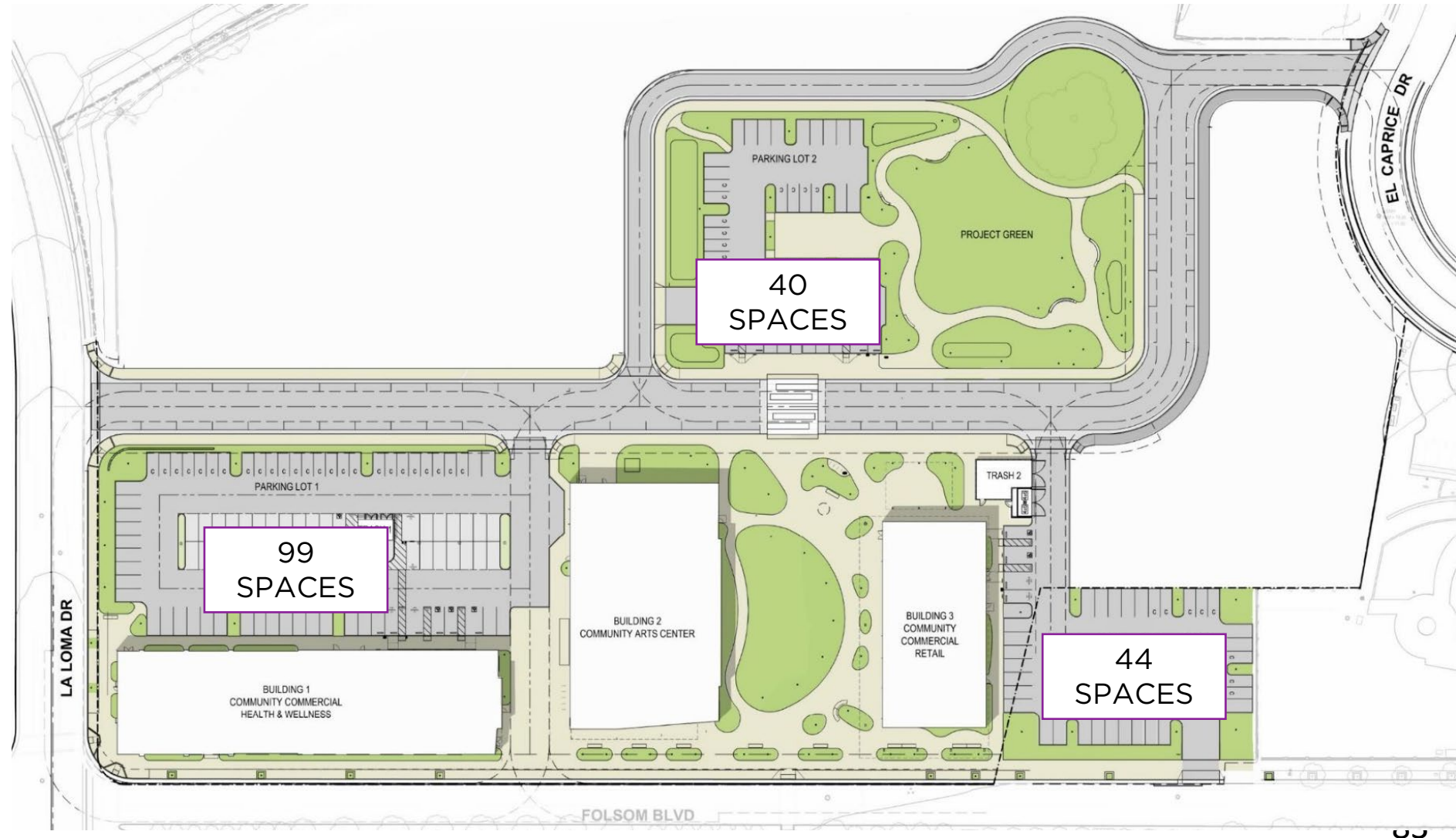
Source: Nelson Nygaard Parking Demand Analysis for Mills Crossing, 2024

ITEM 3.1 Mills Crossing Parking Overview

ATTACHMENT 1

Onsite Off-
street
Parking
Stalls

183



“Parking Ecosystem” Master Plan Approach to Parking

- For Commercial Project Components (Buildings 1, 2, & 3):
 - Performed a time-of-day demand-based parking analysis to quantify parking need (170 stalls)
 - Included required Parking Spaces (183 stalls)
- Providing additional on-street parking (49 Additional Spaces)
- MOU with Los Rios for Parking Lot 3 (25-yr initial term)
- Develop shared parking agreements on neighboring lots (RT, Los Rios, City-owned parcel, etc.)
- Housing components must provide their own required parking on their parcels (e.g., 2-car garages in the for-sale homes, dedicated parking lot on the affordable housing site)
- Most costly approach - explore structured parking solutions

ITEM 3 OFF SITE SHARE PARKING STRATEGY

Sac Metro Gold Line Off-site Parking Lot 226 spaces

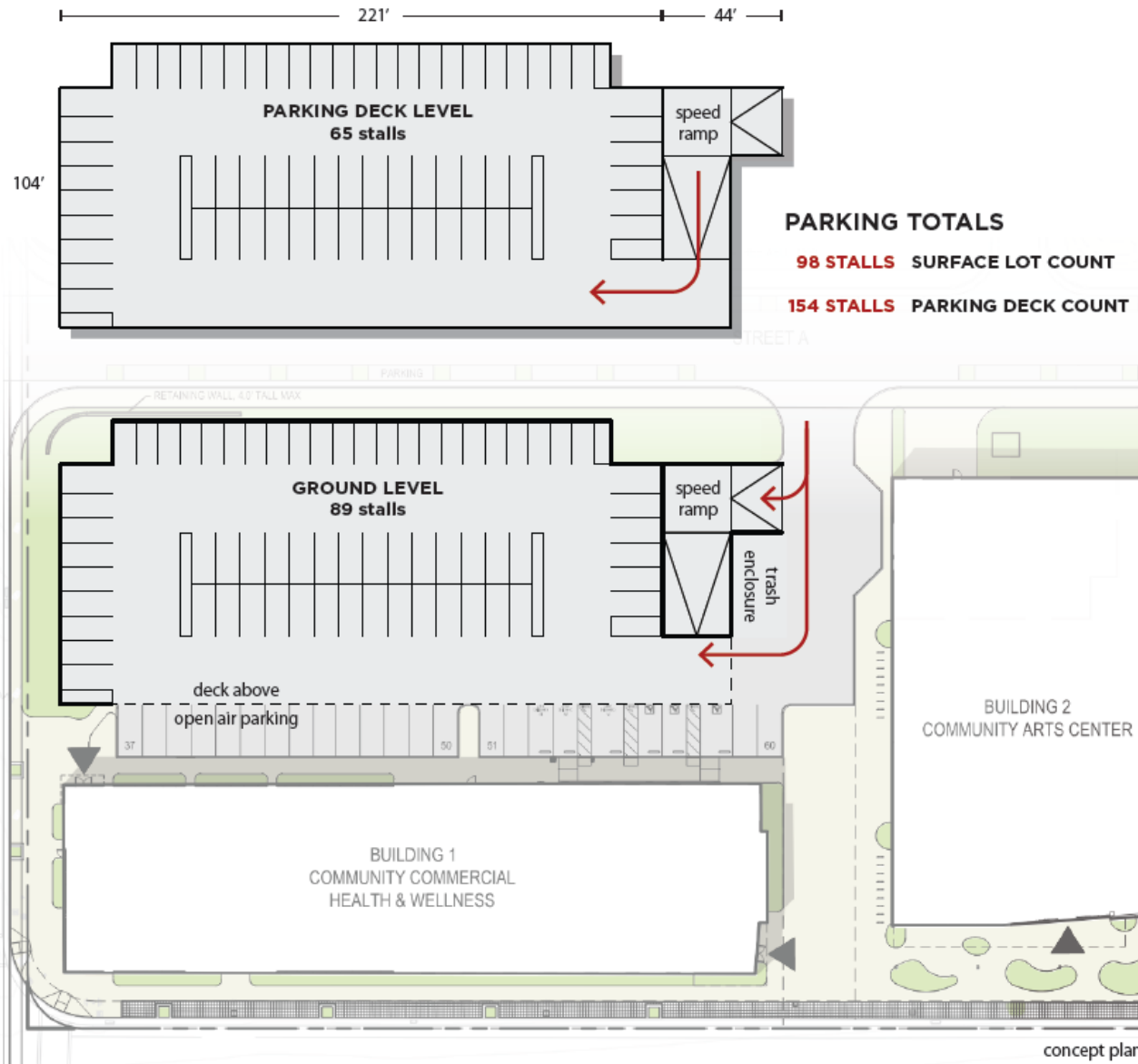
Folsom Lake College Off-site Parking Lot 295 spaces

City-owned Parcel 80 spaces
(Potential Solution with estimated space yield)

Shared Parking Strategy involves
521-601
Spaces adjacent to Mills Crossing site

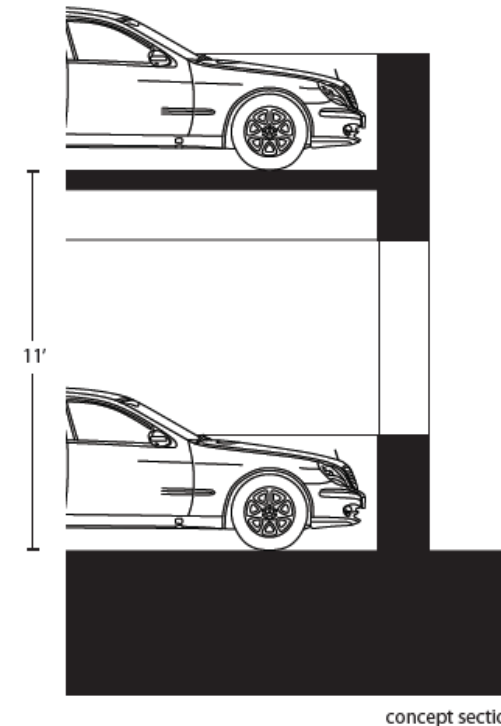


PARKING DECK CONCEPT



154 stalls
2 Levels
~ \$8M
cost

~ 55 stall net increase



IMPLEMENTATION

How It All Fits Together

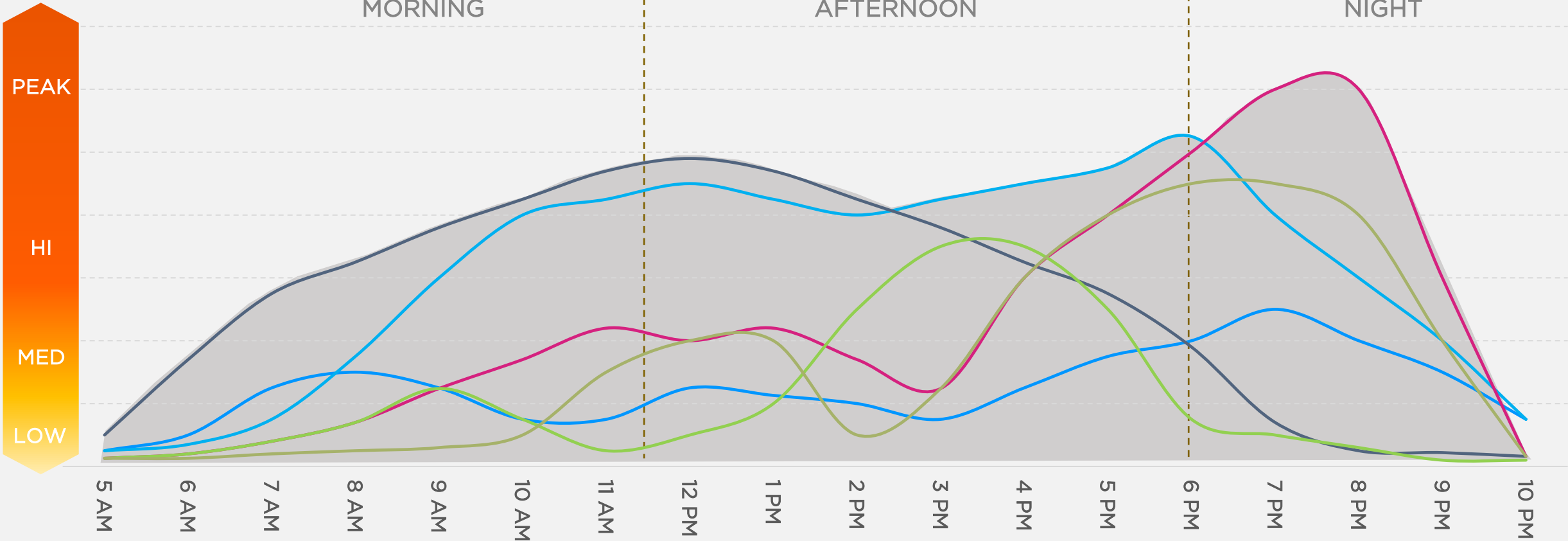
Key Accomplishments

Potential Phasing

Detailed Schedule



COMBINED ACTIVITY LEVELS



DOCTORS, NURSES,
SPECIALISTS, &
ADMIN STAFF



MEDICAL &
BEHAVIORAL
HEALTH
PATIENTS



OFFICE MGMT
& ADMIN
STAFF



OFFICE
VISITORS &
VENDORS



SHOW /
GALLERY
ATTENDEES



PERFORMERS &
CREW



STUDENTS
(YOUTH &
ADULTS)



ARTISTS
(PAINTERS,
SCULPTORS)



EVENT
ATTENDEES



CAFÉ / SHOP
CUSTOMERS



COMMUNITY
MEMBERS



MILLS CROSSING
RESIDENTS



EVENT
ORGANIZERS



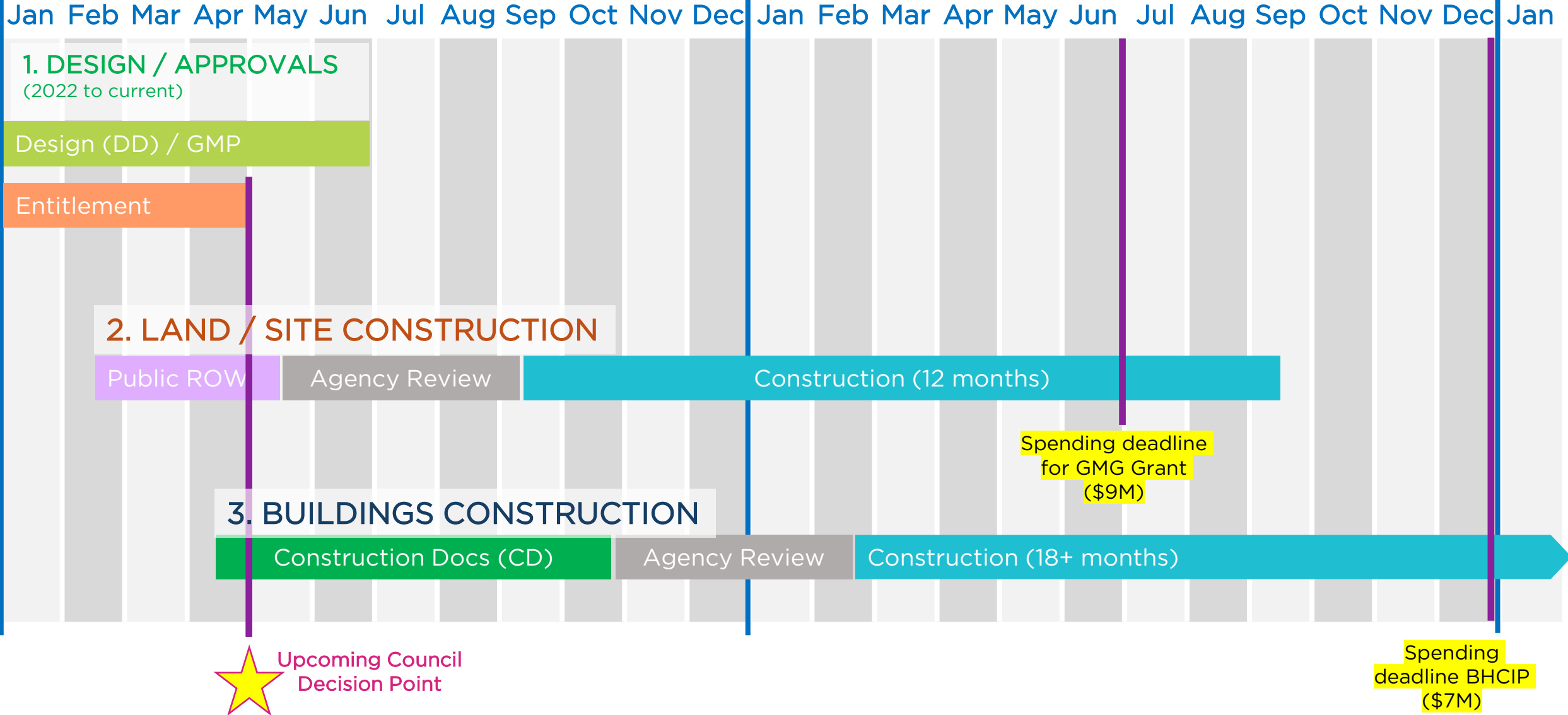
CAFÉ / SHOP
STAFF

MILLS CROSSING Opportunity for Phasing

ITEM 3.1.

ATTACHMENT 1





Spring 2025

- Entitlements
- PDA Amendment

Summer 2025

- Final Financing Plan
- Project Agreements/GMP

Late Summer / Fall 2025

- Building Permits & Groundbreaking

Mills Crossing Preliminary Budget

Figures presented are based on current cost estimates and will not be certain until Guaranteed Maximum Price is finalized.

Funding Source	Building 1	Building 2	Building 3	Green Space & Sitework	Construction Mngt & Contingency	Affordable Housing	Total by Funding Source
BHCIP Grant <i>(must be expended by 12/31/2026)</i>	\$7M						\$7M
<i>New Market Tax Credit (earliest award anticipated Fall 2025)</i>	<i>\$2.8M</i>						<i>\$2.8M</i>
<i>Healthcare Partner Grant (earliest award anticipated late Summer/Fall 2025)</i>	<i>\$3.5M</i>						<i>\$3.5M</i>
Sitework/Infrastructure Grants				\$9.2M			\$9.2M
City Cash Contribution (\$700k match required by BHCIP grant for Building 1)	\$5.7M	\$7M	\$12M	\$11.8M	\$6M		\$42.5M
Affordable Housing Subsidy						\$6M	\$6M
Taxable Bond	\$11M						\$11M
Tax Exempt Bond		\$38M					\$38M
Total by Building	\$30M	\$45M	\$12M	\$21M	\$6M	\$6M	\$120M

Mills Crossing Building 1 Financial Considerations

City Capital Contributions

- Current cost models anticipate a minimum city cash investment of \$5M & \$11M in taxable bonds
- Conflicting timelines for outside funding sources pose some financial uncertainty
 - \$7M BHCIP grant must be expended by 12/31/26
 - \$2.8M New Market Tax Credit will not be known until Fall 2025 at soonest
 - \$3.5M Healthcare Partner Grant will not be known until late summer/fall 2025
- Total city cash contribution range from a minimum of \$5.7M - \$12M

Ongoing Cost Recovery Uncertain

- Annual operating costs when combined with potential debt service make ongoing General Fund subsidy a possibility
 - Exact figures will not be known until future lease agreements are negotiated
 - Length of initial lease terms are uncertain
 - Possibility for lease term and debt service term to not align
 - Could result in future financial impact if vacancy occurs
- Preliminary lease revenue estimates for Building 1 based on square footage and use is in the range of \$800K/annually

Debt Service on \$11M taxable bond issuance

Term	Annual Debt Service
10 Years	\$1,590,000
20 Years	\$1,012,000
30 Years	\$860,000

Assumes 5.5% total interest cost

Mills Crossing Community Use Spaces Budget

Building 2: \$45 Million

Building 3: \$12 Million

Green Space/Sitework: \$21 Million

- *Grant funds in the amount of \$9.2 Million offset the cost of sitework*

Project Mngt & Contingency: \$6M

Total City Contribution: \$75 Million

Potential Funding of Community Use Spaces

Funding Source	Amount
City Cash Contribution	\$30.8 Million
Tax Exempt Financing	\$38.0 Million
Unidentified Funding	\$6.2M
Total	\$75 Million

Potential Debt Service

Par Amount	Annual Debt Service
\$38 Million	\$4.8 Million
\$20 Million	\$2.4 Million
\$15 Million	\$1.8 Million

Assumes 3.28% total interest cost

Mills Crossing Capital Investment Summary

The dollar amounts listed on this slide reflect initial capital investment only and not ongoing operating costs, which will be an additional cost and dependent on final utilization of facilities.

Funding Source	Capital Contribution	Annual Fiscal Impact
Community Facilities Fees	\$10M	
Capital Facilities Reserve	\$20M	
Unidentified Funding	\$12.5M - \$18.8M	
Affordable Housing Impact Fees	\$6M	
Taxable Bonds (Building 1)	\$11M	\$870K
Tax Exempt Bonds	\$38M	\$4.8M
Total	\$97.5M - \$103.8M	\$5.7M
Private Development/Outside Sources of Funding	Approximately \$60 million	

Figures presented above are based on current cost estimates and will not be certain until Guaranteed Maximum Price is finalized. Annual debt service amounts are based on interest rates as of early February 2025 and are subject to change.

Mineshaft Update

- The Cordova Community Council has decided not to proceed with the relocation of the Mineshaft building and is recommending that it eventually be demolished.
- Their desire is to continue looking for a new community event space to ensure the continuation of Heart Stoppers and address other community needs.

Community Theatre Update (formerly Rise Up)

- Staff has been working with RiseUp Theatre Company to establish a 99-seat community theater
- A location on Olsen Dr was identified and then reconsidered based on upgrades needed to the building
- A new location was identified on Zinfandel and the RiseUp Theatre team was doing the due diligence on developing an updated budget based on the size and construction estimates.
- As of January 27th RiseUp Theatre group has decided to part ways with the city on this project.
- At Council direction staff can assume the project management roll to secure the site, complete the tenant improvements, and issue a RFQ for an operator for the space.

Community Theatre Update (formerly Rise Up)



Potential Location: 2810 Zinfandel

- 26,350 sq ft: Live performance theatre, rehearsal space, storage, and 1,500 sq ft flex meeting space.
- This location has the necessary health, Life, and Safety components to convert to a theatre use. Reducing the need for significant costly improvements.
- ADA Compliant: Restroom, Parking, and sidewalks.
- Zoning allows the use of this type.
- Opportunity to revitalize this shopping center.
- Adjacent to public transit and ample parking.

Little League Update

- This project was placed on hold in Spring 2024
- Project budget of \$11 Million remains encumbered:
 - CEIF Legacy Funds allocated: \$7.5 Million
 - Community Renovation Funds allocated: \$3.5 Million

Council Discussion – Mills Crossing Building 1

Policy and Use Considerations

- Does the current plan for Building 1 meet the council's vision for a mixed-use economic development catalyst project on Folsom Blvd. that provides additional site activation throughout the day?

Financial Considerations

- City cash contribution of at least \$5M and as much as \$12M will be necessary
- Debt issuance of approximately \$11M is also anticipated based on the current model, for a total city investment ranging from \$16M - \$22M for building 1. Revenue generated from negotiated lease terms may be insufficient to cover the cost of ongoing debt service and operating costs in addition to uncertainty over lease length, resulting in an unknown future General Fund impact.
- Is the council comfortable with a financial contribution of this magnitude for Building 1?

Council Discussion – Community Facilities

Policy and Use Considerations

- Does the design of buildings 2 & 3 at Mills Crossing meet the council's vision of fulfilling the community need for a performing arts venue and community meeting/event space?
- Is the council still interested in pursuing a new space for community events in lieu of the Mineshaft concept in coordination with Cordova Community Council?
- Is there still an interest in pursuing a smaller performing arts venue in addition to building 2?

Financial Considerations

- Is council willing to allocate unencumbered legacy funds and/or reallocate funds from other legacy projects to Mills Crossing to meet the additional cash contribution needed and potentially reduce the amount of bonds issued?