River District

Q2 2023 MARKET REPORT

July, 2023 | Sacramento, CA





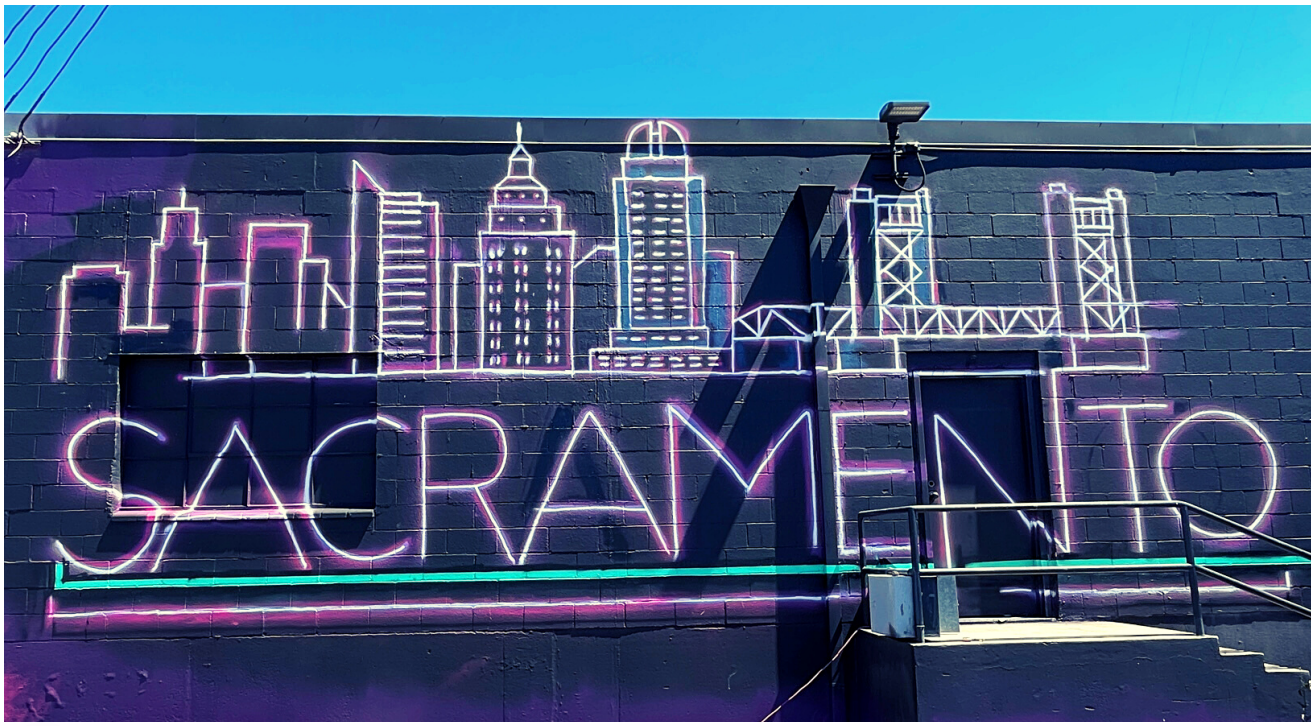




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Artist Adrian Malko (Instagram: @gman_hunter) created a new Sacramento mural at 851 Richards Blvd.



info@riverdistrict.net

Executive Director's Message

Thank you for taking an interest in our quarterly market reports for the River District. Our emerging neighborhood is rapidly transforming, and we aim to capture the data that illustrates this progress moving forward, so that we can best prepare for what the future holds.

It has been a year now since I took over as executive director of the River District, and I am very proud of the accomplishments that our board, staff and stakeholders have made in these past twelve months.

As we inch closer to welcoming our first market-rate tenants at projects like Track 281 Apartments and Mirasol Village, we celebrate the businesses that continue - or are just beginning - to thrive here.

On June 3rd, we hosted the 4th edition of Rio Velo, a Sacramento Bicycle Festival. While it ended up being a surprisingly sweltering day, we showed what a true community-based festival can be. With nonprofits like SABA, Civic Thread, and Light + Water providing bicycle safety and fitness activities, people got out of their cars and onto their feet or bikes. Delicious, locally produced food was prepared by entrepreneurs from the Alchemists Microenterprise Academy. And of course, our very own Touchstone Brewing Co. was there to offer their tasty beverages, brewed right here in the River District. Thank you to all who sponsored, supported, or attended our first public event post-Covid!

Now is a time for big ideas to start taking root for the next wave of development in the River District. With catalytic projects like the Richards Boulevard Office Complex, Township 9, and the Grower's District, the foundation has been laid for a dynamic and diverse urban community. What comes next is up to you, but a few things we are advocating for include EV charging stations, riverfront activations, more public art, neighborhood serving retail and restaurants, and green spaces. What do you want to see?



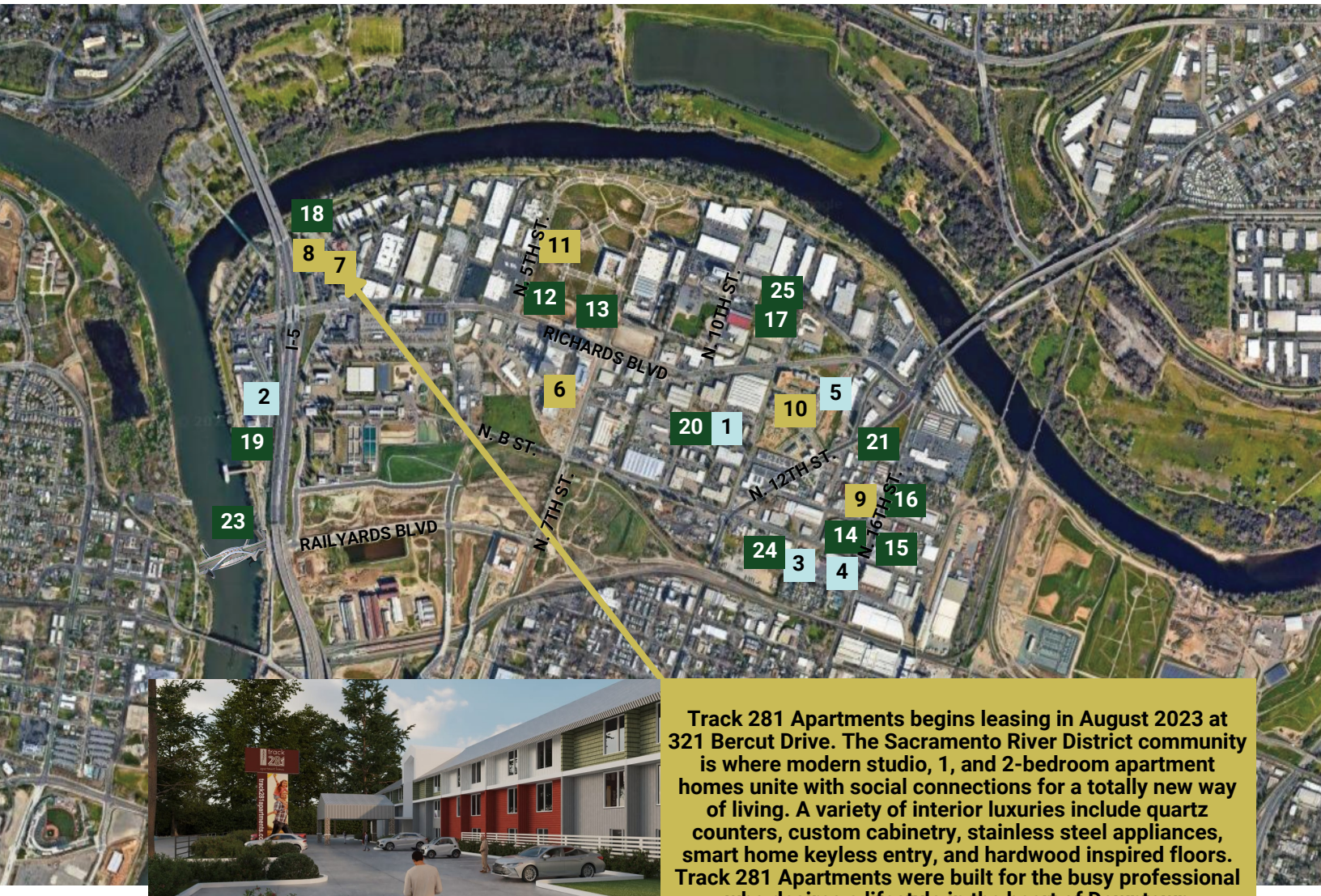
Devin Strecker, LPM

Our Vision: *A vibrant, mixed-use urban community with an eclectic mix of residential and commercial land uses topped off with riverfront views and a variety of parks, plazas and open space.*

Development Map + Summary

Recently Completed **Under Construction** **Proposed**

Summary on following page





Track 281 Apartments begins leasing in August 2023 at 321 Bercut Drive. The Sacramento River District community is where modern studio, 1, and 2-bedroom apartment homes unite with social connections for a totally new way of living. A variety of interior luxuries include quartz counters, custom cabinetry, stainless steel appliances, smart home keyless entry, and hardwood inspired floors. Track 281 Apartments were built for the busy professional who desires a lifestyle in the heart of Downtown Sacramento, CA.

Development Summary

Recently Completed

1	River District Park	1039 N. D St.	19289 SF	Public Park	Completed Q2 2022
2	SMUD Museum of Science & Curiosity	400 Jibboom St.	50,000 SF	Museum	Completed Q3 2021
3	Fire Station 14	1400 N. B St.	10,374 SF	Municipal	Completed Q4 2022
4	Touchstone Brewing Co.	116 N. 16th St.	na	Commercial	Completed Q4 2021
5	Mirasol Village + Community Garden*	1390 Swallowtail	100,000 SF	Residential	Completed Q3 2022

**Blocks A, B, & E, 227 Units Complete as of 5/1/23*

Under Construction

6	Richards Blvd Office Complex (State)	650 Richards Blvd.	1.25M SF	Office	2023 Completion
7	Track 281 Apartments	321 Bercut Dr.	70,000 SF	Residential	2023 Completion
8	ExtraSpace Storage	400 Bercut Dr.	149,346 SF	Commercial	2023 Completion
9	Commercial Kitchen	1501 N. C St.	11,520 SF	Commercial	2023 Completion
10	Mirasol Village Blocks C & D	1390 Swallowtail	100,000 SF	Residential	2024 Completion
11	Township 9 Residential Phase 2	Township 9	1M SF	Residential	2024 Completion

Proposed

12	Caption by Hyatt Hotel	Township 9	110,468 SF	Hotel	2023 Start
13	Township 9 Office	Township 9	120,000 SF	Office	Unknown
14	Grower's District (Site 200)	200 N. 16th St	375,000 SF	Mixed Use	2024 Start
15	Grower's District (Site 211)	211 N. 16th St.	130,000 SF	Residential	2024 Start
16	Grower's District (Site 215)	215 N. 16th St.	80,000 SF	Residential	2024 Start
17	Hobby Condos	601 Dos Rios	50,000 SF	Residential	2023 Start
18	American River One	450 Bercut Dr.	693,913 SF	Mixed Use	Unknown
19	Hanami Line at Matsui Park	450 Jibboom St.	65,640 SF	Public Park	Q2 2023 Start
20	Alchemist Public Market	341 N. 10th St.	10,000 SF	Commercial	Unknown
21	Dos Rios Light Rail Station	515 N. 12th St.	n/a	Municipal	Q2 2023 Start
22	Mirasol Village Block F	515 N. 12th St.	n/a	Residential	Unknown
23	New I Street Bridge	Railyards Blvd.	n/a	Municipal	2024 Start
24	SMUD Station J (new substation)	1220 N. B St.	448,668 SF	Municipal	2026 Start
25	701 Dos Rios	701 Dos Rios	181,645 SF	Residential	Unknown

Source: The River District

Residential Market

The River District is transforming from a primarily industrial and commercial distribution center to a vibrant, mixed-use neighborhood. The most visible aspect of this change is the growing residential market.



SHRA Executive Director La Shelle Dozier speaks at the grand opening ceremony for Mirasol Village on May 31, 2023.

Multi-Family Residential

1	Cannery Place Apartments	Township 9	180 units	$477 avg rnt	Affordable
2	Quinn Cottages	1500 A St.	60 units	$498 avg rnt	Affordable
3	Mirasol Village Blocks A, B & E	1390 Swallowtail	227 units	na	Affordable
	TOTAL		467 units		

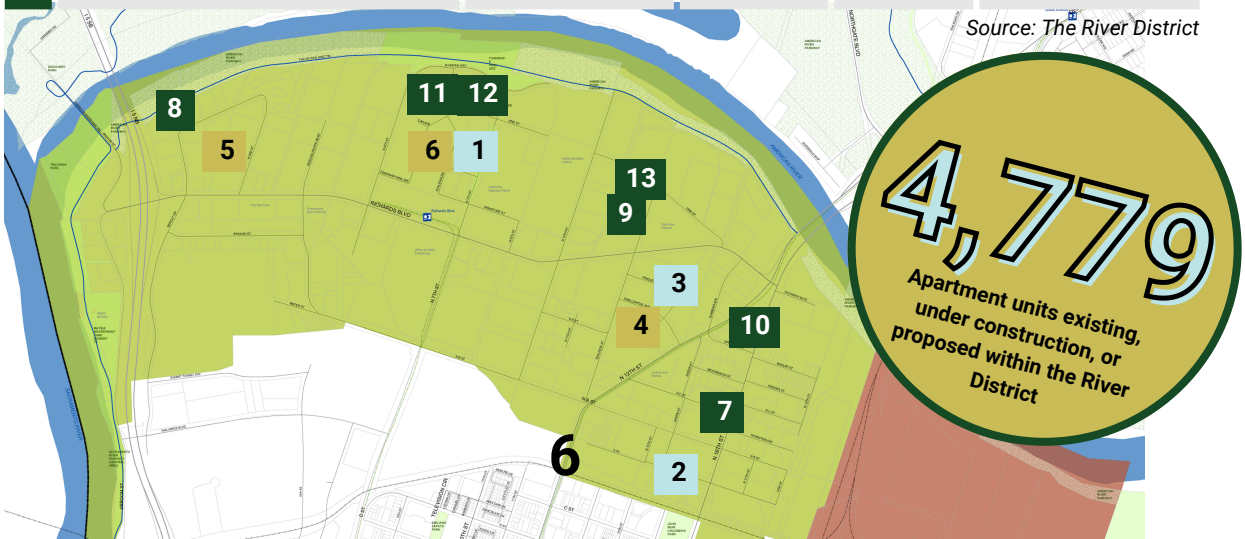
Under Construction

4	Mirasol Village Blocks C & D	1390 Swallowtail	200 units	na	Market Rate/Mixed
5	Track 281 Apartments	321 Bercut Dr.	281 units	na	Market Rate
6	Township 9 - Phase A1	Township 9	372 units	na	Market Rate
	TOTAL		853 units		

Proposed

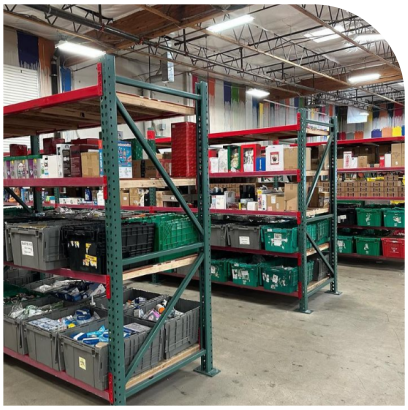
7	Grower's District	N. 16th St.	540 units	na	Market Rate
8	American River One	450 Bercut Dr.	825 units	na	Market Rate
9	Hobby Condos	601 Dos Rios St.	52 units	na	Condominiums
10	Mirasol Village Block F	515 N 12th St	72 units	na	Affordable
11	Township 9 - Phase A2	Township 9	170 units	na	Market Rate
12	Township 9 - Phase A2 (remainder) + B	Township 9	1,620 units	na	Market Rate
13	701 Dos Rios Townhome Apartments	701 Dos Rios	180 units	na	Market Rate
	TOTAL		3,459 units		

Source: The River District



Industrial & Commercial

Large lots and warehouses are still plentiful in the River District and are being repurposed for modern uses. From commercial kitchens to sports facilities, these abundant spaces are perfect for creative businesses, and are also ripe for redevelopment and new construction.



On April 11, 2023, discount store Falling Prices opened in the former location of That's Cheap at 415 Richards Blvd.

Featured Properties for Sale

1	605 Sunbeam Ave.	Warehouse	Industrial	1,795 SF	$650,000
2	819 N. 7th St.	Land	Mixed Use	221,284 SF	$17,700,000
3	522 N. B St.	Land	Commercial	4,792 SF	$250,000

Featured Properties for Lease

4	530 Bercut Dr.	Warehouse	Industrial	8,000 SF	$18/SF
5	100 Township 9	Proposed	Office	120,000 SF	Negotiable
6	241 N. 10th St.	Warehouse	Industrial	10,616 SF	$12/SF
7	Grower's District	Warehouse	Industrial	70,887 SF	Negotiable

Sources: CoStar & The River District

819 N. 7th St.



Township 9 - Lot 1 is arguably one of the scarcest and most desirable urban development opportunities, and is the largest fully entitled development project on the market for sale. The property is fully entitled for 190 units, with up to 500 units possible via density or unit transfer

100 Township 9



Part of Township 9 Phase C, a 120,000 SF biotech office building is slated for the west half of the south end of the project. On the east portion, on the corner of Richards Blvd. and N. 7th St., will be an approximately 200 key hotel. Directly across the street from both is the new Richards Blvd Office Complex.



Tourism & Hospitality

Situated ten miles away from Sacramento International Airport and just blocks from Old Sacramento, Capitol Mall, DOCO and Golden 1 Center, The River District's central location is the ideal hub for those visiting the region.



The Blue Diamond Almonds Nut & Gift Store, located at 1701 C Street, is a one-stop-shop for unique gifts and simple wholesale shopping.

Hotel Market Conditions

Downtown Sacramento	Apr 23	May 23	Jun 23	YTD	% Change YTD
Occupancy	71%	72.1%	75.7%	71.4%	+9%
ADR	$177.18	$181.44	$177.52	$179.27	+15.3%
RevPAR	$125.86	$130.79	$134.32	$127.94	+25.6%

Source: Visit Sacramento

By The Numbers

$26M

Aftershock festival attendees generated more than $26M in economic impact and support over 7,000 jobs during their stay. in Sacramento.

25

Year to date, at the end of Q2 2023, revenue per available room in Downtown Sacramento hotels was up 25.6% over the previous year, at $127.94.

Source: Visit Sacramento

Sacramento Air Travel

Sacramento International Airport (SMF) was named the top midsize airport in the nation according to the Wall Street Journal's 2022 Airport Rankings. SMF ranked highest among all 50 airports surveyed in the reliability category and also ranked high in arrival and departure times, low flight cancellations, quick taxi and security clearance times, and a max walking distance of only 1,213 feet. Leading into the busy summer travel season, Q2 2023 saw an increase of over 18% of total enplaned and deplaned passengers at SMF over Q1 2023, and an increase of 3.62% over the same quarter last year.

Passenger Traffic	Q2 2023	Q1 2023	Q2 2022	QoQ% Change	YoY% Change
Domestic	3,304,622	2,776,708	3,190,052	+19.01%	+3.59%
International	93,969	97,040	89,781	-3.16%	+4.66%
Total	3,398,591	2,873,748	3,279,833	+18.26%	+3.62%

Source: Sacramento County Dept. of Airports



In celebration of the 50th anniversary of Pink Floyd's classic album "Dark Side of the Moon," the official planetarium show has arrived in Sacramento! Due to extraordinary demand, all shows at the SMUD Museum of Science and Curiosity's UC Davis Multiverse Theater are sold out through November, but additional dates will be added soon. Sign up online at visitmosac.org/pink-floyd to be alerted when tickets are available. With the help of modern technology, the idea of a show combining breath-taking views of the solar system and beyond, played out to 42 minutes of The Dark Side Of The Moon in surround sound, has been embraced by the band. NSC Creative have led the visual production efforts, working closely with Pink Floyd's long time creative collaborator Aubrey Powell from Hipgnosis.

Riverfront & Railyards

Hanami Line Groundbreaking

On Thursday, June 29, the Sacramento Tree Foundation hosted the official groundbreaking ceremony for its Hanami Line Capital Campaign, which will transform Matsui Waterfront Park in the River District into an iconic cherry blossom park along the Sacramento River.

Entertainment was provided in the form of taiko drummers Kaori Kubota-Sakauye and Rieko Kotoku. Speakers included Congresswoman Doris Matsui; Mayor Darrell Steinberg; Dr. Jessica Sanders, Sacramento Tree Foundation executive director; and Consul General of Japan in San Francisco Noguchi Yasushi.

This unique civic gathering place will provide a welcoming space to visit, relax and play while celebrating the rich cultural contributions Japanese Americans have made to our region.

Donors, including Caltrans, the City of Sacramento and UC Davis Health, raised over $7.3 million, above the project's goal of $6.95 million. The park is expected to open at the beginning of 2024, and the cherry blossoms should be on full display each spring.





Clockwise from top left: Noguchi Yasushi, Consul General of Japan in San Francisco speaks at the groundbreaking. Cristina Navarro, Maurice Scott and Devin Strecker with the River District attend the groundbreaking. Elected officials and special guests break ground for Hanami Line.



Sacramento Republic FC Stadium at The Railyards



Rendering provided by The Railyards

After a period of uncertainty following the loss of its major investor, the Sacramento Republic FC has now revealed that it is talks with a potential new investor to assist with its bid to join Major League Soccer. A new stadium for the team has long been part of the plans for the Railyards, but the latest news has brought renewed excitement about the project.

The Stronach Group, based in Toronto, Canada, has been discussing a partnership for the past year. "I am grateful to Belinda Stronach, Kevin Gilmore, and the Stronach Group for their strong interest to bring MLS to our great city," Sacramento Mayor Darrell Steinberg said in a statement. "Also, I am deeply appreciative to Kevin Nagle, Todd Dunivant, and the Republic FC for their continued leadership."

The Return of Rio Velo



The Rio Velo Bicycle Festival is back at Mirasol Village! This is Rio Velo's first time back since the Pandemic, and it's better than ever thanks to this great new venue! My thanks to the River District and all of our other great partners for making it happen.
@CMKValenzuela
- Councilmember Katie Valenzuela

On June 3, the River District hosted Rio Velo for the first time since 2019. The event was a culmination of months of planning and collaboration with local partners and community residents. Featuring healthy living exhibits and activities, Rio Velo celebrated cycling and the Sacramento and American Rivers.

Event highlights included a performance by the Grant Union High School Drumline; BMX bike stunts, Atrium 916's art cafe, Giggle & Riot's photobooth, bike rodeo by SABA and Civic Thread, and the Effie Yeaw Nature Center animal ambassadors.

Food vendors included participants of the Alchemist Microenterprise Academy: Real Mojo Foods, Southern Hospitality Eats, Steady Smokin' BBQ, as well as local vendor Popcorn Baby. The beer garden was provided by Touchstone Brewing Co.







Rio Velo was sponsored by County Supervisor Phil Serna; Councilmember Katie Valenzuela; Sutter Health, Sacramento Regional Transit, California Climate Investments, The American River Parkway Foundation, California Department of Conservation, Downtown Ford, California Strategic Growth Council, Sacramento County Regional Parks, SHRA, and Save the American River Association.

The event was made possible with support from partners including SABA, Civic Thread, Alchemist Community Development Corporation, Atrium 916, Touchstone Brewing, Sacramento Tree Foundation, Urban Strategies, and the City of Sacramento.

Clean & Safe

Public Spaces Teams Report

Private security patrols of the River District are provided through a contract with Sacramento Protective Services, with support from the City of Sacramento. Cleaning and Maintenance services are provided by our in-house Public Spaces Team, a rehabilitation work program employing 6 full time crew members.

	April	May	June	Q2 Total	2023 Total
Bags of Trash Collected	1,731	1,731	1,380	4,842	9,295
Bags of Green Waste Collected	98	79	207	384	742
Bulky Items Collected	588	740	574	1,921	3,222
Hazardous Items Collected	20	45	173	238	358
Security Dispatch Calls	159	168	221	548	1,034
Security Officer Observations	233	192	230	655	1,622
Incident Reports & Arrests	3	5	6	14	20

Sources: The River District, Sacramento Protective Services

The River District Public Spaces Team is a groundbreaking initiative that seeks to empower individuals who have faced homelessness or drug addiction by allowing them to reintegrate into society and rebuild their lives. This two-year program, run in partnership between the City of Sacramento and the River District Property Business Improvement District, equips participants with valuable workplace skills as they engage in various tasks to clean and maintain public spaces within the district.

Under the guidance of the Public Spaces Manager, team members are given personalized support to help them achieve their individual goals. Their responsibilities include cleaning streets, pressure washing public areas, removing graffiti, and carrying out general maintenance and yard work throughout the district. The team's collaboration with law enforcement, government agencies, and social services enables them to effectively address issues related to homeless encampments. As all team members have experienced homelessness, they possess a unique ability to empathize and work with those facing similar challenges.

The success of the River District Public Spaces Team has generated interest from other Property Business Improvement Districts, which are exploring ways to implement similar programs in their districts. This program's achievements are impossible without support from the City of Sacramento and the board of directors of the River District PBID.


Jesse


Shawna


Walter


Tim


Darryl "Mo"

About the River District

The River District is a private, nonprofit business association charged with managing and promoting programs to strengthen the economic and cultural well-being of the area.

The 830-acre Property and Business Improvement District (PBID) was established in 1999 by a broad-based coalition of public and private property owners. Managed by The River District, the PBID is a special benefit assessment that supports enhanced services.

The PBID was approved for a ten-year term in 2014. The 2015-2024 Management District Plan outlines three categories of services to be provided by the PBID: public safety and maintenance; economic development; and planning, advocacy and physical improvements. The services and programs provided by the PBID are above and beyond those provided by the City and County of Sacramento.

Location: Approximately 830 acres bounded roughly by the American River to the north; Sacramento River to the west; Union Pacific rail berm and C/D streets to the south; and 27th Street to the east.

Activities: *Community Service Initiatives* provide daily private security patrol, weekday trash abatement and on-call graffiti removal. *Economic Development* activities convey a positive image for the area assisting to attract new jobs, businesses and investment resulting in an improved marketability and regional profile for the District. *Transportation/Public Projects/Infrastructure Advocacy and Planning* to advance the design and implementation of new roadway, transit, utility and streetscape projects.

Administration of District programs and activities is provided by The River District professional staff and Board of Directors.



River District Board of Directors

Greta Lacin, President, Lacin Family Trust

Ryan Loofbourrow, Vice President, Sutter Health

Kevin Smith, Treasurer, Township 9

David Padgham, Secretary, Separovich/Domich Real Estate

Gina Albanese, First Pointe Management Group

George Bernabe, Blue Diamond Growers

Mark Dutrow, US Glass

Ernie Gallardo, Meadows Asset Management

Steve Johns, SMUD

Harris Liu, McDonald's

Ahmed Hamdy, MatriScope Engineering Laboratories, Inc.

Lisa Nava, County Supervisor Serna - D1

Josh Kohlenbrener, Bauen Capital

Ryan Robinett, ZGF Architects LLP

Advisory Members

Bud Applegate, Applegate Properties

Susan Crane, The Party Concierge

Steve Goodwin, FTEnet

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This report was composed by Devin Strecker, LPM. Photography by Kent Lacin and Devin Strecker. Copy editing by Cristina Navarro. If you have inquiries related to the data and information presented in this document, please email info@riverdistrict.net.

SOURCES:
The River District; CoStar, costar.com; Sacramento County Department of Airports, Sacramento Regional Transit, Visit Sacramento.



WE GROW
URBAN FARM



FARMSTAND







Second and Fourth Tuesday each month from 5-7PM
701 Pipevine St.
adjacent to Mirasol Village Community Garden
CalFresh benefits accepted!

@wegrowurbanfarm

www.wegrowfarms.org