



2023 Q4/ANNUAL REPORT

APRIL, 2024 Sacramento, CA



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.



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.*

EXECUTIVE DIRECTOR'S MESSAGE

So many amazing things happened in the River District in 2023, as the transformation of this neighborhood picked up at a rapid pace. We saw the opening of our first market-rate residential community, Track 281 Apartments. ExtraSpace Storage, a new construction, was completed and opened its doors to customers. Mirasol Village welcomed new and old residents to the community formerly known as Dos Rios, and we celebrated the groundbreaking of Township 9's new phase of development, nearly a decade after its first project, Cannery Place.

As an organization, we welcomed four new board members in 2023 and said goodbye to a few long-time directors. We kicked off our renewal process with Civitas, and our Strategic Plan & Vision initiative with Atlas Lab and Cooper Robertson. We added an Events and Placemaking Manager, Cristina Navarro, who implemented our community cleanups and brought back the Rio Velo Bicycle Festival, and added new events such as our Coming Out Day Festival and the River District Community Extravaganza.

Our Public Spaces Team was honored with an Award of Excellence from the International Downtown Association, recognizing the program for its resourceful approach in the category of public space management and operations. The program is made possible with support from the City of Sacramento and private development firm 29th Street Capital. The program has now provided over 15 individuals with skills and experience to transition from living unsheltered to full-time employment and stable housing.

As we look ahead, there are many exciting openings coming in 2024: the Hanami Line cherry blossom park, the May Lee State Office Complex, market-rate apartments at The Hayley and Mirasol Village. Other new developments are making their way through the city approvals process. As these catalytic developments shape a new future for the River District, we will be guided by our Strategic Plan and Vision to ensure that we are building a sustainable, innovative, inclusive and vibrant community.

Devin Strecker, LPM
Executive Director

River District Board of Directors

Ryan Loofbourrow, President, Sutter Health

Ahmed Hamdy, Vice President, MatriScope

George Bernabe, Treasurer, Blue Diamond Growers

David Padgham, Secretary, Separovich/Domich Real Estate

Greta Lacin, Immediate Past President, Lacin Family Trust

Gina Albanese, First Pointe Management Group

Spencer Applegate, Applegate Properties

Eric T. Crane, SMUD

Andrea Durham, SMUD Museum of Science & Curiosity

Mark Dutrow, US Glass

Ernie Gallardo, Meadows Asset Management

Kesha Harris, July Forward

Rob Hedrick, 29th Street Capital

Lisa Nava, County Supervisor Serna - D1

Josh Kohlenbrener, Bauen Capital

Ryan Robinett, ZGF Architects LLP

2023 Departing Members

Steve Johns, SMUD

Harris Liu, McDonalds

River District Staff

Devin Strecker, LPM, Executive Director
devin@riverdistrict.net

Chris Evans, Public Space Manager
cevens@riverdistrict.net

Cristina Navarro, Events & Placemaking Manager
cristina@riverdistrict.net

Maurice Scott, Business Community Liaison
maurice@riverdistrict.net

Public Spaces Team

Jesse Yniguez, Tim Hargis, Darrell "Mo" Moore, Bernard Cooper, Kile Sullivan, Santos Peinado

This report was composed by Devin Strecker, LPM. Photography by Kent Lacin, Maurice Scott, Corey Besmer, Chris Evans, 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; LoopNet; Sacramento County Department of Airports, Sacramento Regional Transit, Visit Sacramento, Sacramento Protective Services, the City of Sacramento.



info@riverdistrict.net

TABLE OF CONTENTS

1 | Executive Director's Message

3 | Development Map

4 | Development Summary

5 | 25 Years of the River District

7 | Residential Market

8 | Industrial & Commercial

9 | Tourism & Hospitality

10 | Clean, Safe & Admin



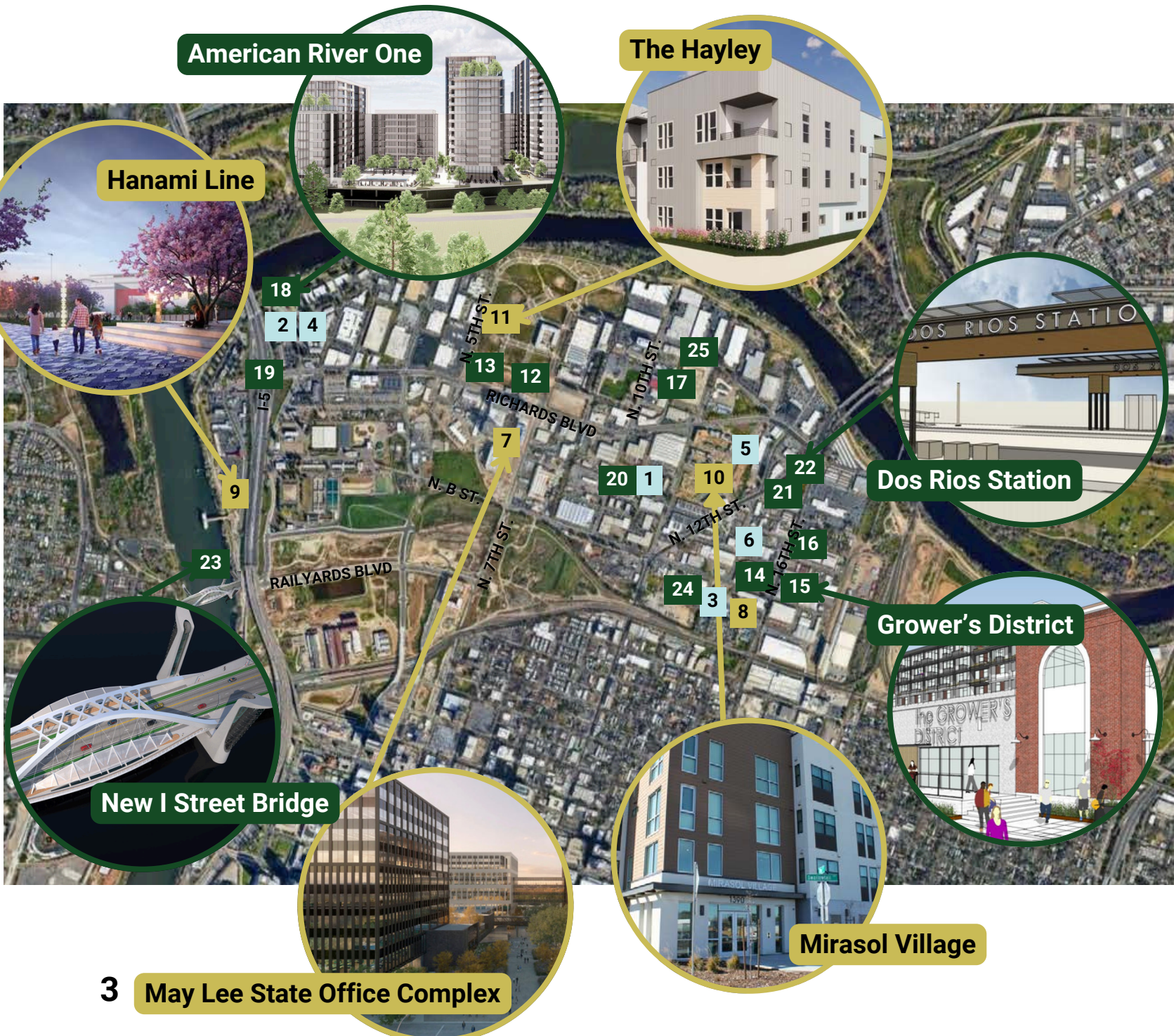
The SMUD Museum of Science and Curiosity (MOSAC) opened in the fall of 2021. It is an interactive, kid-friendly science center featuring exhibits, after school & summer programs. For adults, the museum hosts monthly mixers and other events including planetarium shows.

DEVELOPMENT MAP + SUMMARY

Recently Completed

Under Construction

Proposed



DEVELOPMENT SUMMARY

Recently Completed

| | | | | | |
|---|----------------------|------------------|------------|-------------|-------------------|
| 1 | River District Park | 1039 N. D St. | 19289 SF | Public Park | Completed Q2 2022 |
| 2 | ExtraSpace Storage | 400 Bercut Dr. | 149,346 SF | Commercial | Completed Q3 2023 |
| 3 | Fire Station 14 | 1400 N. B St. | 10,374 SF | Municipal | Completed Q4 2022 |
| 4 | Track 281 Apartments | 321 Bercut Dr. | 155,074 SF | Residential | Completed Q3 2023 |
| 5 | Mirasol Village* | 1390 Swallowtail | 100,000 SF | Residential | Completed Q3 2022 |
| 6 | Sactown Eats | 1501 N. C St. | 11,376 SF | Commercial | Completed Q3 2023 |

*Blocks A, B, & E, 227 Units Complete as of 10/27/23

Under Construction

| | | | | | |
|----|--------------------------------|--------------------|------------|-------------|----------------------|
| 7 | May Lee State Office Complex | 650 Richards Blvd. | 1.25M SF | Office | July 2024 Completion |
| 8 | Pintworks @ Touchstone Brewing | 116 N. 16th St | | Restaurant | 2024 Completion |
| 9 | Hanami Line at Matsui Park | 450 Jibboom St. | 65,640 SF | Public Park | June 2024 Completion |
| 10 | Mirasol Village Blocks C & D | 1390 Swallowtail | 100,000 SF | Residential | 2024 Completion |
| 11 | The Hayley | Township 9 | 1M SF | Residential | 2024 Completion |

Proposed

| | | | | | |
|----|---------------------------------|-----------------|------------|-------------|------------|
| 12 | Caption by Hyatt Hotel | Township 9 | 110,468 SF | Hotel | 2024 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 | 2025 Start |
| 15 | Grower's District (Site 211) | 211 N. 16th St. | 130,000 SF | Residential | 2025 Start |
| 16 | Grower's District (Site 215) | 215 N. 16th St. | 80,000 SF | Residential | 2025 Start |
| 17 | Hobby Condos | 601 Dos Rios | 50,000 SF | Residential | 2024 Start |
| 18 | American River One | 450 Bercut Dr. | 693,913 SF | Mixed Use | Unknown |
| 19 | I-5/Richards Blvd Interchange | | | Roadway | 2026 Start |
| 20 | Alchemist Public Market | 341 N. 10th St. | 10,000 SF | Commercial | 2024 Start |
| 21 | Dos Rios Light Rail Station | 515 N. 12th St. | n/a | Municipal | 2024 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 | The Village at Dos Rios | 701 Dos Rios | 181,645 SF | Residential | 2024 Start |

Source: The River District



THE RIVER DISTRICT

RIVER DISTRICT CELEBRATES 25 YEARS OF IMPACTFUL COMMUNITY GROWTH AND INNOVATION

On the northern edge of Sacramento's downtown core, the River District is undergoing a dramatic transformation into an exciting and innovative mixed-use community. Celebrating its 25th anniversary, the nonprofit business association also known as the River District manages a property and business improvement district (PBID) that guides and promotes this unique 830-acre area that represents one of Sacramento's biggest infill development opportunities.

Bounded by both the American and Sacramento Rivers on the north and west, respectively, the River District abuts the downtown grid to the south and east and is home to legacy businesses such as Blue Diamond Growers as well as relative newcomers like the California Lottery headquarters. Historically, the area was a warehouse

and distribution center, but now underutilized land holds unmatched development potential. Envisioning a revitalization decades ago, property owners formed the Richards Boulevard Redevelopment Area, predecessor of the River District PBID.

Established in 1999 as the Capitol Station District and rebranded in 2006, today's River District is working toward becoming a vibrant, mixed-use urban community with an eclectic mix of residential and commercial land uses topped off with riverfront views, parks, plazas, and open space.

"Last spring, we launched our strategic plan and have identified our Riverfront, Innovation District, and Growers District as project areas," says Devin Strecker, executive director.

“We’re working to ensure that our transformation continues to make the River District the best place to live, work, and enjoy life.”

— DEVIN STRECKER
Executive Director

RIVER DISTRICT THROUGH THE YEARS

1998 - PRESENT



The Riverfront runs along both rivers and includes several exciting developments. Opened in 2021 along the Sacramento River, the SMUD Museum of Science and Curiosity (MOSAC) is a regional destination attraction. Adjacent to MOSAC, the Hanami Line cherry blossom park will open later this year. Along Bercut Drive and the American River, the proposed mixed-use project American River One will create 825 residential units and commercial opportunities taking advantage of river views. Further east, the City of Sacramento is planning a bridge across the American River, linking the River District to Truxel Road and acting as a catalyst for future development.

The Innovation District is anchored by the 1.25 million-square-foot May Lee State Office Complex at Richards Boulevard and 7th Street, which was extended in 2004 as a critical link to the downtown grid. Nearby, the multi-phase Township 9 project continues construction with 372 new market-rate residential units rising

near the low-income units of Cannery Place that have been in place since 2015. Also planned is the Alchemist Public Market, an incubator for farm-to-fork food entrepreneurs, to stand next to the new River District Park, which opened in 2022.

The Growers District on North 16th Street adjacent to Midtown is planned as a mixed-use cultural and residential neighborhood. This private adaptive-reuse development will rehab three historic brick buildings, including the old produce terminal, and add new buildings to provide more than 500 market-rate residential units as well as commercial and cultural opportunities.

The River District's residential rebirth also includes Track 281 Apartments, a renovated hotel with 281 new market-rate units, opened in 2023, and the beautifully designed Mirasol Village (formerly Twin Rivers housing project) currently under construction to add market-rate units to recently completed low-income units. "Today, the River

District has 748 residential units among four housing complexes, with three of those offering low-income housing, and proposed projects will add 3,474 more residences," Strecker says.

The 501c3 foundation Capitol Station Associates was created in 1998 to promote, develop, encourage and maintain education, employment, commerce, and economic development in the River District. Through grants, sponsorship, and fundraising events, this charitable arm offers flexibility beyond PBID funds to improve the area.

"The River District is the region's best infill growth opportunity," Strecker says. "Residents and businesses have immediate access to not only the downtown core but also to the rivers and nature, and can look forward to many amenities and developments still to come. We're working to ensure that our transformation continues to make the River District the best place to live, work, and enjoy life."



PO Box 630, Sacramento, CA 95812 ▪ 916.321.5599 ▪ Info@RiverDistrict.net

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.



Multi-Family Residential

The Hayley at Township 9 includes 372 garden-style apartments, broke ground in May, 2023 and is scheduled to open in late summer, 2024.

| | | | | | |
|---|---------------------------------|------------------|-----------|---------------|-------------|
| 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 | \$1358 avg mt | Affordable |
| 4 | Track 281 Apartments | 321 Bercut Dr | 281 units | \$1551 avg mt | Market Rate |
| | TOTAL | | 748 units | | |

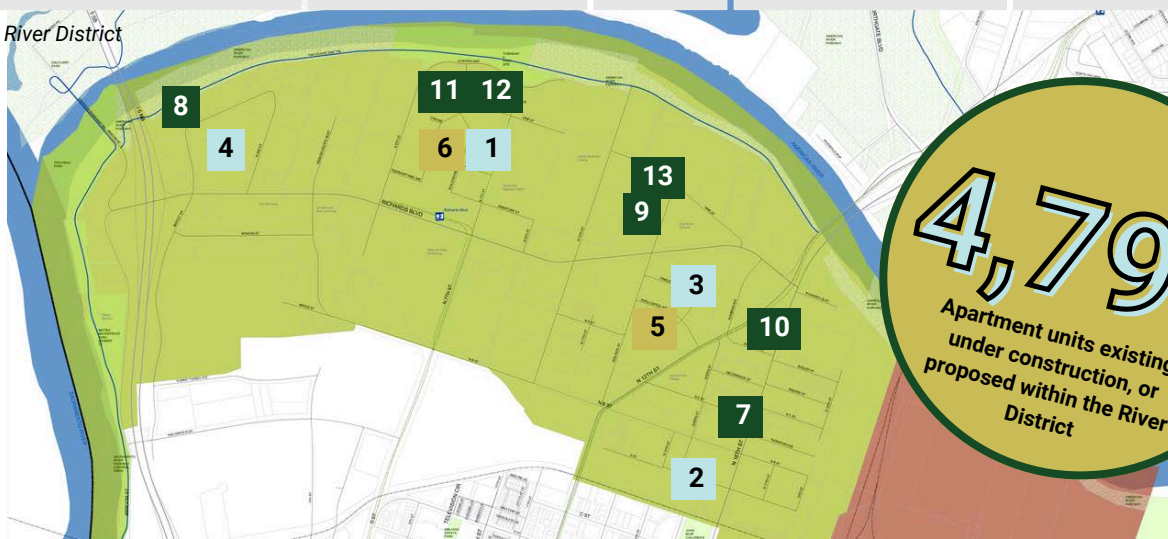
Under Construction

| | | | | | |
|---|------------------------------|------------------|-----------|----|-------------------|
| 5 | Mirasol Village Blocks C & D | 1390 Swallowtail | 200 units | na | Market Rate/Mixed |
| 6 | The Hayley at Township 9 | 571 Cannery Ave | 372 units | na | Market Rate |
| | TOTAL | | 572 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 - A2 remainder + B | Township 9 | 1,620 units | na | Market Rate |
| 13 | The Village at Dos Rios | 701 Dos Rios | 195 units | na | Market Rate |
| | TOTAL | | 3,474 units | | |

Source: The River District



4,794
Apartment units existing,
under construction, or
proposed within 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.



With the impending opening of The Hayley and May Lee State Office Complex, the ground floor retail/restaurant space is available at Cannery Place at Township 9.

Featured Properties for Sale

| | | | | | |
|---|----------------------------------|------------------|------------|-----------|-------------|
| 1 | 301 Dos Rios St | Warehouse | Industrial | 7,500 SF | \$1,750,000 |
| 2 | 221-261 Richards Blvd (or lease) | Office/Warehouse | Industrial | 57,586 SF | \$7,995,000 |
| 3 | 900 Richards Blvd | Office/Yard | Commercial | 10,000 SF | \$1,800,000 |

Featured Properties for Lease

| | | | | | |
|---|-------------------|--------------------|------------|-----------|--------------|
| 4 | 630 N 7th St | Restaurant/Retail | Mixed Use | 4,556 SF | Negotiable |
| 5 | 819 N 10th St | Warehouse | Industrial | 11,376 SF | \$6.96/SF/YR |
| 6 | 241 N 10th St | Warehouse + Office | Industrial | ±7,556 | \$9.60/SF/YR |
| 7 | Grower's District | Warehouse | Industrial | 70,887 SF | Negotiable |

Sources: LoopNet & The River District

221-261 Richards Blvd



221-261 Richards Blvd is a vacant 57,586 SF industrial building strategically located on the major thoroughfare of the River District. The building is currently divided into three separate spaces which were formerly occupied by Safelite Autoglass and R&L Liquidators. There is a 33 car parking lot and large yard area in the rear.

819-849 N 10th St



±89,500 SF total available of existing office space with 16 dock loading doors, 3 grade level doors and 16'-24' clear height. Insulated warehouse space, skylights and a fenced enclosed yard right next to the American River. T8 lighting throughout warehouse and 800 amps of 244/480 make this an ideal property for lease.



TOURISM & HOSPITALITY

Known as the City of Trees and the Farm to Fork Capital, Sacramento was recently named as one of Eater’s top 12 places to eat this year from around the world. It’s just one of the reasons that Sacramento was the fastest growing city in California in 2023.



Formerly known as LaQuinta Inn, the 168-room property at 200 Jibboom Street is undergoing a rebrand to Howard Johnson by Wyndham.

Hotel Market Conditions

| Downtown Sacramento | Oct 23 | Nov 23 | Dec 23 | YTD | % CHG YTD |
|---------------------|----------|----------|----------|----------|-----------|
| Occupancy | 72.9% | 62.3% | 56% | 68.5% | +2.7% |
| ADR | \$205.42 | \$176.33 | \$169.78 | \$176.40 | +10.2% |
| RevPAR | \$149.71 | \$109.91 | \$95.10 | \$120.78 | +13.2% |

Source: Visit Sacramento

Sacramento Air Travel

Sacramento International Airport (SMF) was ranked number one in the nation for ‘stress-free’ travel for the month of January 2024 according to data from AirHelp, an airfare claims management company. “SMF, which is one of the country’s busiest airports, was able to deliver passengers with exceptional reliability,” AirHelp said. Officials are currently working to establish nonstop service to Europe, focusing on an unspecified city in Germany, according to the Sacramento Bee.

| Passenger Traffic | Q4 2023 | Q3 2023 | Q4 2022 | QoQ% CHG | YoY% CHG |
|-------------------|-----------|-----------|-----------|----------|----------|
| Domestic | 3,226,946 | 3,285,843 | 3,625,106 | -1.79% | -10.98% |
| International | 88,971 | 102,905 | 89,911 | -13.54% | -1.05% |
| Total | 3,315,914 | 3,388,748 | 3,715,017 | -2.15% | -10.74 |

Source: Sacramento County Dept. of Airports



Guitarist Slash performs with Guns & Roses at Aftershock on Oct. 8, 2023. The festival attracted 160,000 music fans from all 50 states, 40 countries, and every continent except Antarctica, creating millions of dollars in economic impact for the region.

EVENTS & PROGRAMMING

The River District and our community foundation, Capitol Station Associates, produced several events throughout the year, in addition to our bi-monthly River District Rendezvous happy hour mixers. These events are geared towards building community, encouraging healthy lifestyles, and fostering civic engagement.

Rio Velo: A Sacramento Bicycle Festival



Coming Out Day

Community Extravaganza



Rio Velo was held June 3 at Mirasol Village; Coming Out Day was held October 11 at Township 9 Park, and the River District Community Extravaganza brought holiday cheer to Mirasol Village on December 8.

CLEAN & SAFE

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 full time crew members.

| Public Spaces Teams Report | October | November | December | Q4 Total | 2023 Total |
|-------------------------------|---------|----------|----------|----------|------------|
| Bags of Trash Collected | 1,177 | 1,597 | 686 | 3,460 | 17,167 |
| Bags of Green Waste Collected | 221 | 76 | 21 | 318 | 1,453 |
| Bulky Items Collected | 573 | 718 | 421 | 1,712 | 6,904 |
| Hazardous Items Collected | 16 | 59 | 41 | 116 | 565 |
| Security Dispatch Calls | 162 | 191 | 286 | 639 | 2,281 |
| Security Officer Observations | 474 | 350 | 398 | 1,222 | 4,232 |
| Incident Reports & Arrests | 0 | 3 | 2 | 5 | 32 |

Sources: The River District, Sacramento Protective Services



Jesse Yniguez, left, and Chris Evans, right, celebrate Darrell Moore's (center) promotion.

SAFETY & MAINTENANCE

The International Downtown Association recognized the River District with the Downtown Achievement Award of Excellence for its resourceful approaches related to its Public Spaces Team. A jury of peer professionals reviewed, deliberated and evaluated all entries in the 2023 Downtown Achievement Awards. The Award of Excellence acknowledges an excellent response to an urban place management challenge, demonstrating application of industry knowledge and exceeds the jury criteria.



ECONOMIC DEVELOPMENT

Launched in 2023, the River District's quarterly market reports are designed to inform investors, developers, retailers and brokers about our unique assets and opportunities. Partnerships with city, county, state and federal departments as well as other agencies and local nonprofits leverage funding sources, grants, and programs to benefit district stakeholders.

PLANNING, ADVOCACY & PUBLIC ENHANCEMENTS

In addition to events and programming, the River District has been engaged in various advocacy efforts on behalf of our stakeholders. One big win occurred after months of community involvement: SacRT, working with SACOG, SHRA and the City of Sacramento, agreed to move

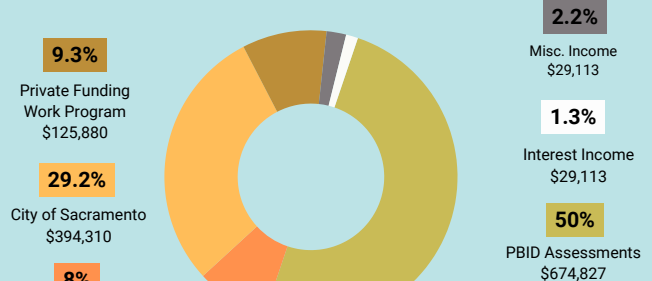


forward with the Dos Rios Light Rail Station, a much-needed mobility connection for the east side of the district. Also in 2023, the district launched its Strategic Plan + Vision Initiative as well as our PBID renewal effort, and continued our place management working groups.

ADMIN & BUDGET

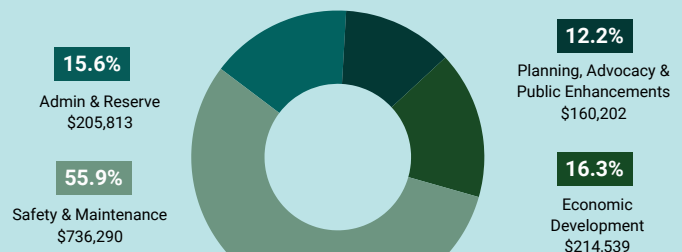
The River District's programs are provided directly to assessed parcels above and beyond those currently provided by the City of Sacramento and other public agencies. Service levels to individual parcels are based on the amount paid into the District. Financial oversight is provided by the Executive Director and the Board of Directors.

2023 River District Income



TOTAL:
\$1,350,215

2023 River District Expense



TOTAL:
\$1,317,444

Funds not utilized in the current year have been saved for on-going projects, necessary administrative processes, and improvement projects.



River District

With the May Lee State Office Complex, located in the heart of the River District, the State of California is taking some of the boldest steps in the country towards decarbonization. The complex, which includes four mid-rise buildings totalling 1.25M SF of office space, will be the largest all-electric, zero carbon building complex in the U.S. when completed in July, 2024.