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OFFICE OF THE
CITY COUNCIL

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COUNCILMEMBER
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CITY OF SACRAMENTO
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June 22, 1993

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MEMORANDUM:

TO: Council Member Darrell Steinberg
Council Member Sam Pannell
Council Member Heather Fargo

**SUBJECT: FIRST MEETING OF COUNCIL WORK GROUP
COMMITTEE ON CITY ORGANIZATION STRUCTURE**

As you may recall, Mayor Serna appointed me Chair of an ad hoc City Council Committee to review the "Bolder Vision" for the new Neighborhood Services Department before this reorganization was presented for full City Council approval.

Our Work Group Committee will also have the opportunity to review several other reorganization efforts currently underway.

The first meeting of the Work Group has been scheduled for Tuesday, June 29 at 8:30 a.m. in City Council Chambers.

Our first meeting will cover the schedule, process and procedures involved in the overall reorganization process. We will also consider the attached staff report on the reorganization of the Community and Visitors Services Department. Please review this report for our June 29th meeting.

Should you have any questions, please let me know.

DEBORAH ORTIZ
Council Member District 5
Chair, Ad Hoc Work Group Committee

c: Mayor Joe Serna, Jr.
Bill Edgar
David R. Martinez
Bob Thomas
Sam J. Burns



COMMUNITY/CONVENTION CENTER
City of Sacramento
ADMINISTRATION OFFICES

June 11, 1993

City Council
Sacramento, California

Honorable Members in Session

SUBJECT: COMMUNITY AND VISITOR SERVICES DEPARTMENT -- Policy Paper

LOCATION: Various
All Districts

RECOMMENDATIONS:

It is recommended that City Council:

1. Approve name of the Community and Visitor Services Department and its organizational structure as described in this report; and
2. Approve the policy direction of the Community and Visitor Services Department as put forth in this report; and
3. Approve change title from Director of Community/Convention Center to Director of Community and Visitor Services Department.

CONTACT PERSONS: Robert P. Thomas, Deputy City Manager -- 264-5704
Sam J. Burns, Director, Sacramento Convention Center -- 264-5291

FOR THE COUNCIL MEETING OF: June 22, 1993

SUMMARY

This report provides information to Council and contains a staff recommendation for approval to restructure six community-wide and visitor-related divisions from the Parks and Community Services Department and the Community/Convention Center Department into the larger Community and Visitor Services Department as part of the Planning and Economic Development Team.

BACKGROUND INFORMATION

The Mayor and City Council have indicated a strong desire for the City organization to reflect their emphasis on neighborhood issues and economic development for the overall benefit of Sacramento residents. On January 30, 1993, the City Manager's Office presented an extensive report as a basis for the City Council Workshops to address the 1993-94 budget deficit. This report recommended restructuring and downsizing the organization of the City as one strategy to lessen service level impacts and address the budget deficit. The purpose of the proposed reorganization was threefold: 1) Reduce the budget deficit; 2) Emphasize the Council's priorities of neighborhood issues and economic development; and 3) Reduce service impacts to the local residents through increased efficiency.

The Planning and Economic Team proposal includes the following related activities: Economic Development; Planning and Development; Utilities; Public Works; Community/Convention Center; and community and visitor related services such as the Crocker Art Museum, Golf, and Old Sacramento. Attachment I is the organizational structure for this team. All of the proposed components enhance the quality of life for the citizens of the City. The programs of the Planning and Economic Development Team will address the business outlook and long term activities -- both public and private -- for the general welfare of the City. When the City of Sacramento is economically stable, City Council is better prepared to extend its program and service levels to residents. Attachment II is the proposed organization structure for the Community and Visitor Services Department. The following is a summary of the attendance relative to the various facilities of the Department for Fiscal Year 90-91:

ATTENDANCE	
Convention Center	881,036
Crocker Art Museum	124,586
Golf (six courses)	485,000
Sacramento Archives/Collections Center	1,200
Sacramento History Museum	105,000
Sacramento Science Center	78,982
Sacramento Zoo	539,547
TOTAL ATTENDANCE	2,215,351

City Council

June 22, 1993

In February of 1993, a recommendation was presented to combine City functions that met similar needs, served clients who pay for these services, and complement the retention and recruitment of businesses consistent with the City's economic development. The intent was to capitalize on the individual strengths of these programs. Specifically, the recommendation is to bring the cultural programs, leisure facilities, and visitor functions together in one organization. Opportunities exist for economies and improved services with coordination in the areas of marketing, operations, and development.

The mission of the Planning and Economic Development Team is to improve the quality of citywide services for local residents, to influence long term planning, and to enhance the quality of life by recruiting and retaining businesses to Sacramento. The citywide and visitor facilities, once reorganized as the Community and Visitor Services Department, will benefit the City in the following ways:

1. Improve customer service to residents and visitors;
2. Enhance the efforts for economic development in the recruitment and retention of businesses to Sacramento;
3. Provide a more comprehensive approach to marketing Sacramento and its services;
4. More efficient use of resources; and
5. Reduce subsidy levels from the General Fund

Several cities have successfully consolidated these similar functions. These cities include Reno, Las Vegas, San Jose, Ventura, and Anaheim.

Benefits/Opportunities for Consolidation

Consolidation of the citywide and visitor services would afford the City several benefits and many opportunities. First, it would result in cost savings by minimizing duplication of efforts in several areas such as maintenance and event set-ups while increasing efficiency. Second, the cultural facilities would be reorganized to attract more visitors to the area which would, in turn generate more revenue to the City without an increase in general fund subsidies. Third, it would maximize existing resources to provide improved services to City residents.

Efficiencies from this consolidation could be significant. These efficiencies could be used to reduce the service impacts created by the individually proposed budget reductions. There would be reduced duplication of efforts, especially in the area of marketing. There would also be more efficient use of staff due the balancing in the seasonal nature of these operations. Merging box office/ticket operations and reservation systems would provide an excellent opportunity to streamline these functions for improved efficiency, accessibility and customer service. In regard to events, there would be improved coordination as well as the combination of resources such as food and beverage services. Enhanced coordination of similar automation systems, similar

maintenance and engineering requirements, event management and management of similar security issues would be an additional advantage.

Increased attendance at the facilities of the Community and Visitor Services Department would generate increased revenue to the facilities as well as the City. Tourism is a "clean" industry because it distributes revenue through our community without requiring a significant increase in the demand for services from the City. It should be encouraged not only to benefit these specific attractions but to substantially contribute to Sacramento's economic base. There are opportunities to further develop these facilities as economic magnet to attract visitors to the area. Visitors generated more than \$1 billion in revenue in the County of Sacramento in Fiscal Year 1990-91 according to a report prepared for the State Office of Tourism.

Currently, each facility is responsible for its own marketing. Through the coordination of these functions, a comprehensive marketing approach would be developed. Furthermore, these facilities would benefit from utilizing the services of the Sacramento Convention and Visitors Bureau, which works closely with the Community/Convention Center and its professional marketing staff.

Although it is important to bring visitors to our area, an emphasis will continued to be placed on the accessibility and availability of these attractions to residents of the Sacramento community. Each of these facilities depends heavily on patrons from beyond the City limits. Most facilities have fixed operating costs. Increased use generates additional revenue and reduces the level of subsidy necessary to operate. Programs may be developed including a fee structure to recognize the level of financial support from the Sacramento community for many of these facilities. A thorough analysis will be performed to prevent adversely affecting the attractions' abilities to serve patrons and generate a stable, user related income. Free and discounted access to facilities would be continued and possibly expanded through programs such as the Camellia Card which is issues seniors and the Family Fun coupons which are distributed to low-income families receiving AFDC to ensure access for all local residents.

Implementation

Following City Council approval of the proposed restructuring of the Community/Convention Center Department and the cultural and leisure facilities of the Parks and Community Service Department in February of 1993, all of the exempt managers and their staff began a detailed process to assess specific opportunities, common goals, linkages, and concerns. Preparation of an organizational structure and an evaluation of efficiencies for consolidation was completed in April of 1993. In March, April, and May of 1993, facilitated meetings with the exempt managers were conducted. To address specific issues, the following were explored:

Marketing Task Force: Create a vision of what is possible through joint, comprehensive marketing efforts. Develop short-term successes, identify long-term issues, and propose an action plan. Example of joint projects may include co-promotional event, co-promotional billboard, coordinated printing and distribution of material, and shared use of existing marketing material such as the Sacramento Convention and Visitors Bureau video.

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Logistical Efficiencies Task Force: Identify obvious and potential joint logistical efficiencies and opportunities for consolidated efforts including facilities, staffing, and administration. Reduce duplication in services, equipment, personnel, and costs of outside contracts. Oversee the consolidation of these resources to effectively serve the Community and Visitor Services Department facilities.

Development Task Force: Coordinating opportunities for outside support for the individual functions. Develop short-term successes, identify long-term issues and propose an action plan which strengthens the individual development functions.

In May of 1993, the Community and Visitor Services Department mission statement and goals were developed by all of the managers participating in the transition process with staff involvement.

Mission Statement: The Mission of the Department of Community and Visitor Services is to:

1. Enhance, promote, and preserve Sacramento's unique artistic, cultural, educational, historical, and recreational treasures; and
2. Act as a catalyst for community partnerships to enhance Sacramento's economic climate; and
3. Project a consistent, positive image of Sacramento through professional and courteous customer service

Goals The goals of the Department are as follows:

1. Efficiently and effectively utilize our staff and resources.
2. Maximize community and visitor participation in and accessibility to the Department's programs and facilities.
3. Better define the "Sacramento Experience" and develop a strong, positive identity for the City of Sacramento.
4. Increase Sacramento's local, regional, state, national, and international visibility through a more comprehensive approach to marketing Sacramento and its services.
5. Secure financial stability for the Department's entities.
6. Strive for national recognition in our professional fields.

Achievements

Since its first meeting, staff members quickly and effectively implemented the transition of the new Community and Visitor Services Department and developed a cohesive management team. Coordinated marketing efforts such as joint marketing brochure racks and a program for a joint billboard have been implemented. A resource manual has been developed identifying the individual division resources and interdepartmental services. And the divisions are working together to host a "Community Day" open to the public at the Convention Center featuring promotional information on each of the Department's entities.

Staff has met with the following non-profit boards and commissions to gain support for the new department and its organizational structure, mission statement, and goals: Crocker Art Museum Association, Sacramento Zoological Society, Sacramento Metropolitan Arts Commission, Fairytale Town Board of Directors, Sacramento History Museum Association, Sacramento Science Center, Sacramento Commission of Science and History, and Sacramento Golf Council. These organizations have conceptually approved of the Community and Visitor Services Department.

Policy Direction

The staff recommends that City Council approve the following policy directions for the Community and Visitor Services Department:

1. Support the preservation of Sacramento's unique artistic, cultural, educational, historical, and recreational treasures;
2. Support all neighborhoods by providing access to Department programs and facilities;
3. Support revenue opportunities that increase the Department's self-sufficiency;
4. Support visitor programs that increase economic and employment growth in the Sacramento area;
5. Support educational and outreach programs for local youths;
6. Support Sacramento's economic growth through partnerships between non-profit organizations, governments, and businesses.

Staff will report back in 120 days with a plan to reduce general fund subsidy of the Community and Visitor Services Department and a policy regarding residential versus non-residential fees. Staff will report back in twelve (12) months with an evaluation of the new department.

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June 22, 1993

FINANCIAL CONSIDERATIONS

The proposed reorganization reflects the City Council's priority of neighborhood issues and economic development. The reorganization is proposed as a method to absorb a share of the anticipated \$30 million shortfall and minimize service level impacts. The functional reorganization will result in improved efficiencies, corresponding cost savings, and reduced service impacts to the community due to budget reductions.

POLICY CONSIDERATIONS

The proposal of the newly formed Community and Visitor Services Department is consistent with the Council's policy to emphasize neighborhood services and encourage economic development in the City of Sacramento. Policy issues which may arise from this reorganization may include a revised fee schedule to reflect resident/non-resident user fees.

MBE/WBE

None. No goods or services are being purchased.

Respectfully submitted,

Sam J. Burns
Director
Sacramento Community/Convention Center

Robert P. Thomas
Deputy City Manager

Recommendation Approved:

WILLIAM H. EDGAR, CITY MANAGER

SJB:tlv

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RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

RESOLUTION APPROVING THE COMMUNITY AND VISITOR SERVICES DEPARTMENT

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

1. That the name of the Community and Visitor Services Department and its organizational structure as described in this report and incorporated within are hereby approved; and
2. That the policy directions of the Community and Visitor Services Department as put forth in this report and incorporated within are hereby approved; and
3. That the title Director of Community/Convention Center is hereby approved to be changed to Director of Community and Visitor Services Department.

MAYOR

ATTEST:

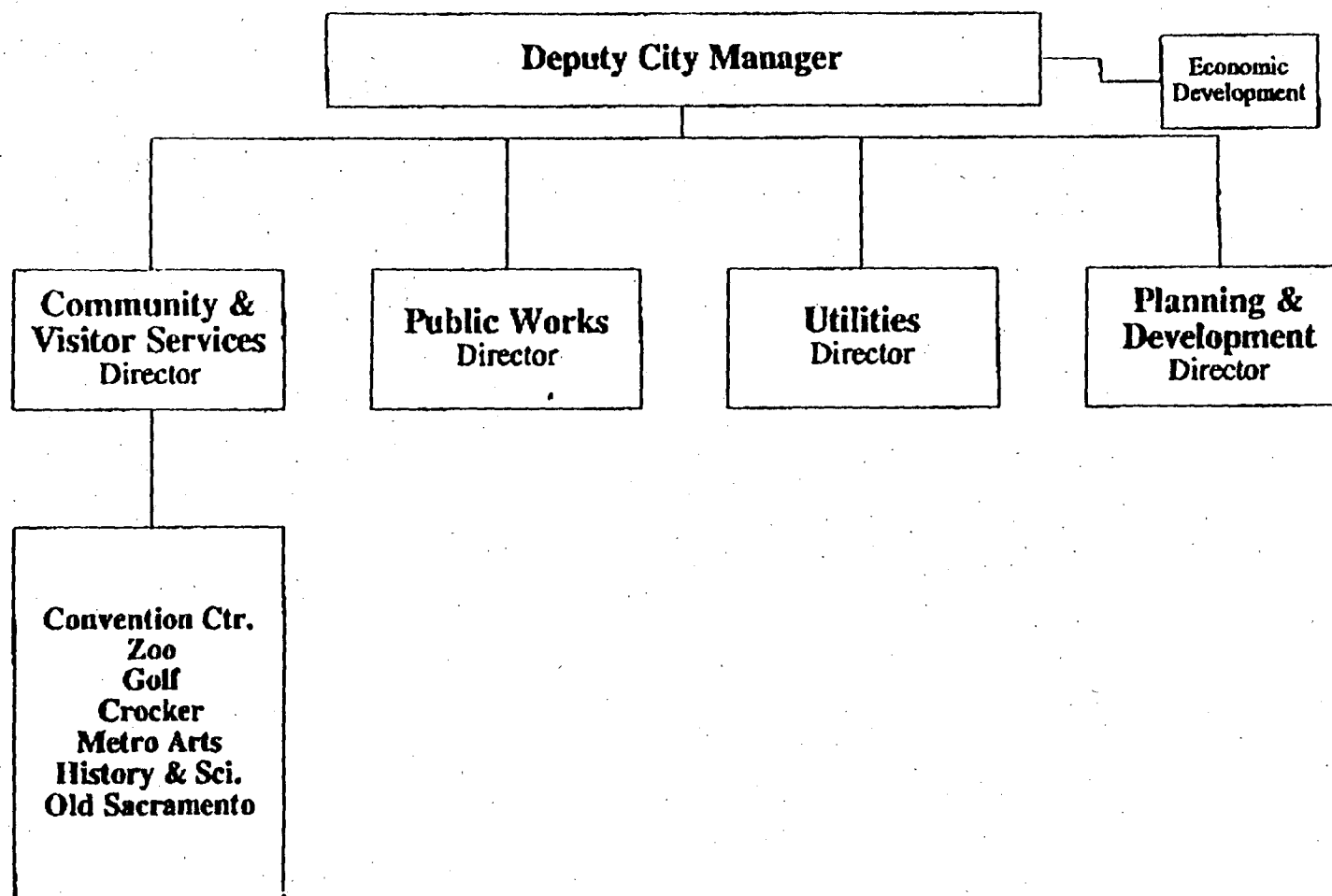
CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

Planning & Economic Development Team



SACTO CONVENTION CTR TEL: 9162647687

JUN 22 '93 12:41 No. 005 P. 10
ATTACHMENT I

Community & Visitor Services Department

