



APPROVED
BY THE CITY COUNCIL

11.1-02

JUN 18 1997

OFFICE OF THE
CITY MANAGER

CITY OF SACRAMENTO OFFICE OF THE
CALIFORNIA CITY CLERK

CITY HALL
ROOM 101
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SACRAMENTO, CA
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June 11, 1997

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: REPORT BACK ON REDUCTIONS TO YOUTH/TEEN RECREATION
PROGRAMS

LOCATION:

Citywide

RECOMMENDATION:

It is recommended that City Council approve staff recommendation Alternative B for reductions to Youth/Teen Recreation Programs as part of the proposed budget for FY 1997-98 for the Neighborhoods, Planning and Development Services Department.

CONTACT PERSON: Jack Crist, Deputy City Manager, 264-5704

FOR THE COUNCIL MEETING OF: June 18, 1997

SUMMARY:

On June 10, 1997 the City Council heard the proposed budget detail for the Neighborhoods, Planning and Development Services Department. During that hearing, City Council requested staff to report back on the alternative reductions to those proposed for the Youth/Teen Recreation Program area. This report provides alternative reductions for Council consideration and staff's recommendation on an alternative cut strategy.

BACKGROUND:

The Youth/Teen Programs provides recreational and life-skills opportunities as alternatives to anti-social behavior at over 75 sites through out the city. Programs are offered after school, late nights, during summer and year-round. Many of these same sites offer other recreation programs such as START, 4th R, sports and classes.

In the 1997-98 Proposed Budget - Addendum, the reduction to Youth/Teen Programs totaled \$236,000 and would result in discontinuing after-school recreation programs at 12-15 sites. The sites identified for reduction were primarily those with multiple program offerings.

Based on City Council's direction at the June 10 hearing, staff has identified three alternative reductions scenarios for Council's consideration which are described in Attachment A. Staff is recommending Alternative B which would result in no reductions in number of current sites or number of programs provided.

Staff is recommending that funds resulting from a reduction in the Utility User Tax Rebate to cable TV and telephone services would be allocated to provide the \$60,000 needed to mitigate the reductions as described. A companion report regarding the Utility User Tax Rebate reduction will be heard by City Council prior to this report.

FINANCIAL CONSIDERATIONS

Under the recommendation of this report, \$60,000 in funding resulting from reduction of the Utility User Tax Rebate would be allocated to mitigate the reductions in Youth/Teen Recreation Programs. For full detail on the proposed use of the rebate funding see Attachment B.

POLICY CONSIDERATIONS

The recommendation in this report is consistent with City Council direction to staff at the June 10 hearing of the Neighborhoods, Planning and Development Services Department proposed budget for FY 1997-98.

ENVIRONMENTAL CONSIDERATIONS



None.

Page 3

MBE/WBE

Not applicable.

Respectfully submitted,


 Jack Crist
Deputy City Manager

Approved:


 WILLIAM H. EDGAR
City Manager

Attachment A

ALTERNATIVE REDUCTION SCENARIOS FOR
YOUTH/TEEN RECREATION PROGRAMS

Alternative	Description	Considerations
A	<ul style="list-style-type: none"> ✓No reduction in number of sites. ✓Reduction in number of programs. ✓All current sites would have a minimum of one after school program during the school year and summer. ✓Use of \$25,000 from the Utility User Rebate reduction. <p>Detail:</p> <ul style="list-style-type: none"> ✓Implement program reductions as recommended. ✓Reductions would occur at sites that currently have two types of after school programs with a few exceptions. ✓Programs would be reassigned from other multi-program sites to assure that all current after-school program sites have a minimum of one after-school program during the school year. ✓Use \$25,000 in Utility User Tax Rebate funding to restore part-time non-career positions to support the restoration of summer programs at the current program sites. 	<ul style="list-style-type: none"> ✓Total number of programs would be reduced but would be mitigated in that all current sites would continue to have a minimum of one after school program during the school year and summer. ✓Career positions would be eliminated as recommended in the current proposal. Non-career part time staff would be hired for programs. ✓Supervision of non-career part time staff would be reduced. Supervision of this staff would be provided by supervisors in the other programs.

Alternative	Description	Considerations
<p>B (RECOMMENDED)</p>	<ul style="list-style-type: none"> ✓No reduction in number of sites. ✓No reduction in number of programs. ✓Use of \$60,000 from the Utility User Rebate reduction. <p>Detail:</p> <ul style="list-style-type: none"> ✓Use \$60,000 in Utility User Tax Rebate funding to restore part-time non-career positions to support the restoration of after-school programs during the school year and summer at the current program sites. 	<ul style="list-style-type: none"> ✓No change in the number of current sites or programs offered. ✓Career positions would be eliminated as recommended in the current proposal. Non-career part time staff would be hired for programs. ✓Supervision of non-career part time staff would be reduced. Supervision of this staff would be provided by supervisors in the other programs.
<p>C</p>	<ul style="list-style-type: none"> ✓No reductions in Youth/Teen Recreation Programs. ✓Additional reductions in Parks Maintenance to realize the \$236,000. ✓No use of Utility User Rebate funds. 	<ul style="list-style-type: none"> ✓Additional reductions in Parks maintenance would result in reduced frequency of mowing, garbage collection, restroom cleaning, ballfield maintenance and repairs of damaged equipment. Approximately 6 FTE would be eliminated. ✓During the past five years, the cumulative reduction to the Parks Maintenance budget is approximately 30-35%. ✓In 1993-4, Parks Maintenance took a greater level of reduction in order to mitigate the cuts to recreation programs. ✓The Parks Maintenance reduction in the proposed budget has been significantly mitigated by efficiencies. These efficiencies are a result of the creativity of park maintenance staff and efforts of an interdepartmental team.

Attachment B

PROPOSED DISTRIBUTION OF UTILITY USER TAX REBATE FUNDING	
Funding resulting from elimination of rebate to cable TV and telephone services	\$220,000
Allocation to Older Adult Services to restore CBO funding (Ombudsman, Hunger Commission and Camellia Center)	(\$73,800)
Allocation to Youth/Teen Recreation Programs to mitigate reductions	(\$60,000)
Allocation to Community Events to support special events and activities (\$7,500 per council district)**	(\$60,000)
Allocation to support Community Events operations and mitigate reductions	(\$26,200)
Remaining	0

**Note: The Special Events Section which will be transferred to the Neighborhoods, Planning and Development Department under the proposed budget, currently has \$2,500 per council district allocated to support special events. The \$7,500 would be in addition to this for a total of \$10,000 per council district.

6

SACRAMENTO CONVENTION CENTER

ITEM 11.1

B-2

B-3

1. Convention Center Performance

- Benchmarks

2. Transient Occupancy Tax

- Historical
- Future Assumptions
- Fund Balance Analysis

3. Business Plan

- Highlights
- Policy Issues

SACRAMENTO CONVENTION CENTER FACILITY EXPANSION

	<u>Original</u>	<u>1997</u>
Exhibit Hall	50,000 sf	150,000 sf
Meeting Rooms	10 rooms	29 rooms
Theater	2,452 seats	2,452 seats
Memorial Auditorium	Closed in 1986	3,800 seats

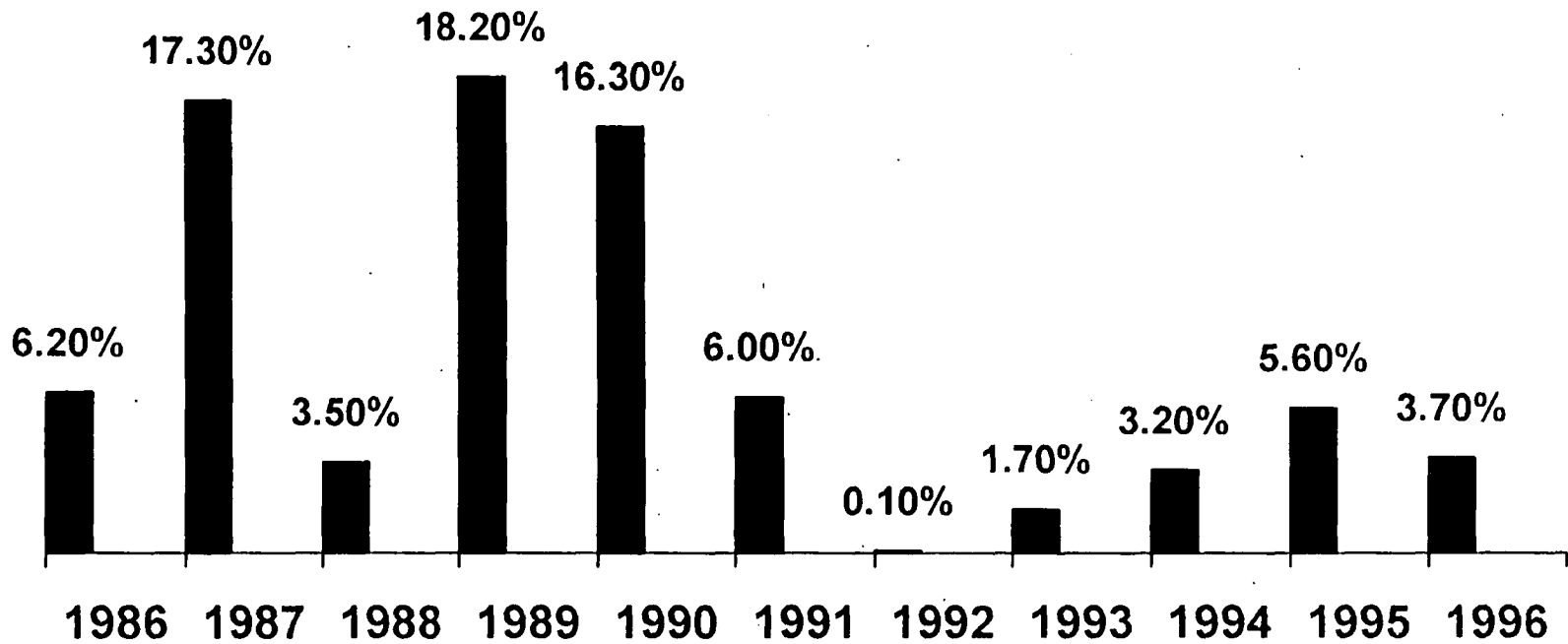
BENCHMARKS

Year End: 1995-96

	<u>Projected</u>	<u>Actual</u>
● Number Of Events	458	541
● Room Night	54,000	60,000
● User Fees	\$3.2 mil.	\$2.8 mil.
● TOT (City-wide)	\$10.2 mil.	\$9.9 mil.

TRANSIENT OCCUPANCY TAX ANNUAL GROWTH

1986 - 1996
(10% Share)



11.3% Average
1986-1991

2.9% Average
1992-1996

TOT GROWTH ASSUMPTIONS

- 300 New Rooms By 2001
- 450 New Rooms By 2004
- No Downtown Convention Hotel

COMMUNITY CENTER FUND

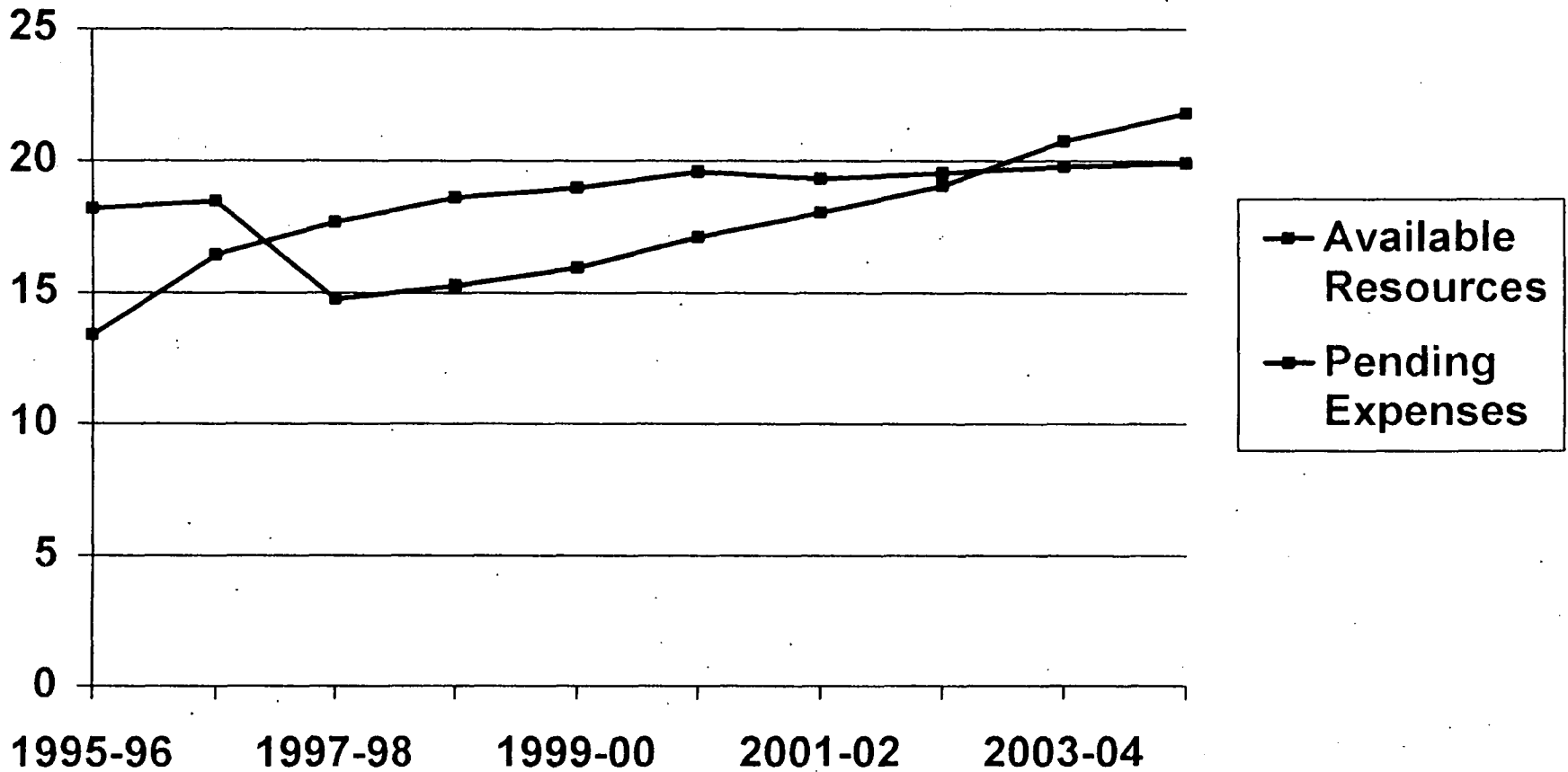
BALANCE

	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>	<u>1998-99</u>	<u>1999-00</u>	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>
REVENUES								
Fund Balance	2.9	4.8	2.1	-	-	-	-	-
TOT	9.0	9.2	9.7	10.1	10.5	11.2	11.7	12.3
User Fees	2.8	3.3	3.9	4.2	4.6	5.0	5.4	5.8
Interest/Other	3.4	1.2	1.2	0.9	0.9	0.9	0.9	1.0
TOTAL	18.1	18.5	16.9	15.2	16.0	17.1	18.0	19.1
EXPENSES								
Operating	7.2	7.4	7.5	7.7	8.0	8.2	8.4	8.7
Debt	5.3	10.1	10.1	10.8	10.8	10.8	10.8	10.8
Capital	0.9	(1.00)	0.1	0.1	0.2	0.6	0.1	0.1
Reserve	-	-	0.5	-	-	-	-	-
TOTAL	13.4	16.5	18.2	18.6	19.0	19.6	19.3	19.6
Loan (Repay)	-	-	1.3	3.4	3.0	2.5	1.3	0.5

COMMUNITY CENTER FUND FISCAL STRATEGIES

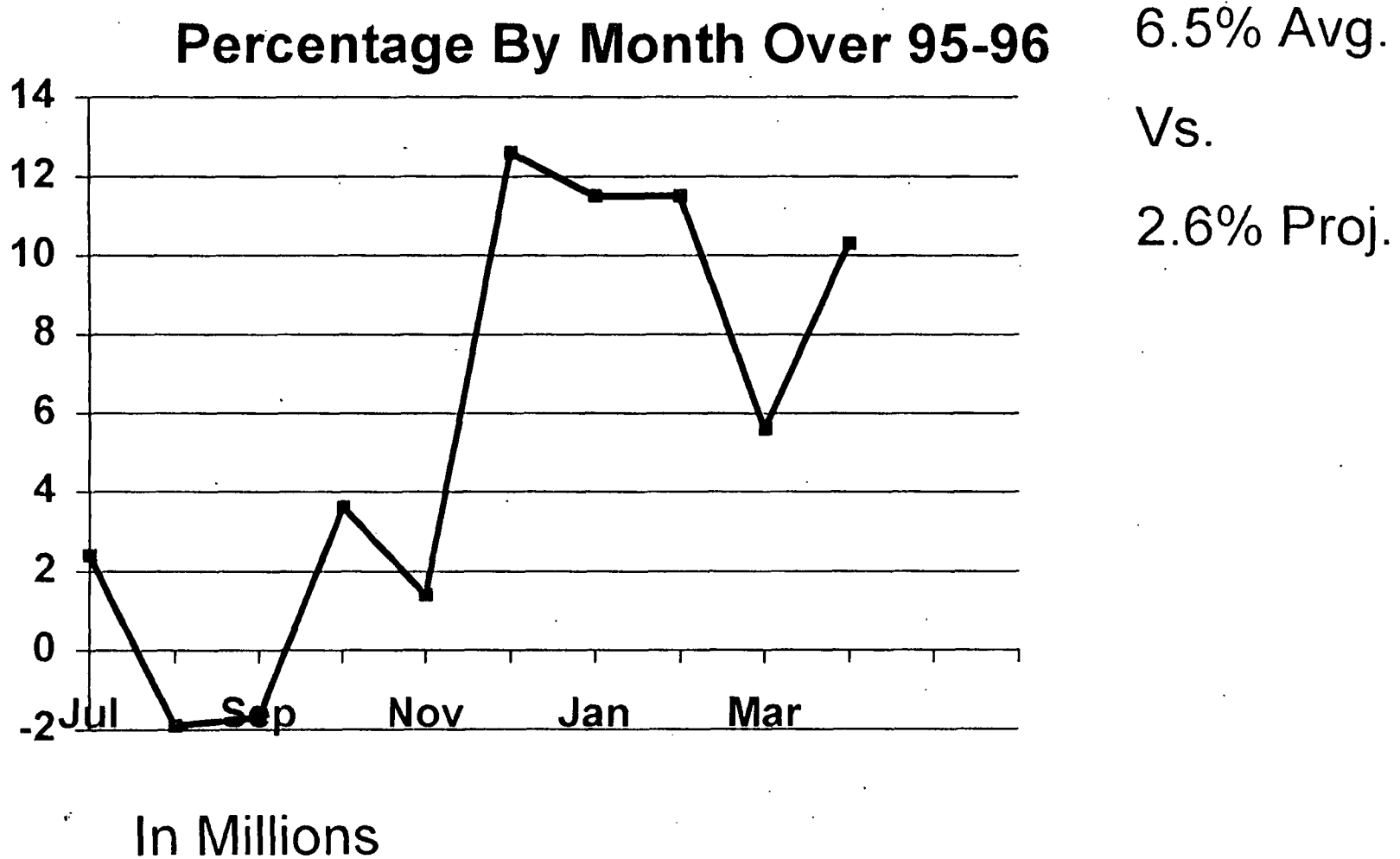
- Capital Projects
 - » Defund All Building Projects
 - » Reduce ADA Compliance Contributions/Defund Prior Contributions
 - » Defer Theater Capital Projects
- Reduce Operating Budget
 - » 5 Career Positions
- Interfund Transfer (Loan)

PROJECTED FINANCIAL GAP



In Millions

TRANSIENT OCCUPANCY TAX COMPARISON



BUSINESS PLAN HIGHLIGHTS

- Identified Critical Challenges
- Developed Specific Goals
- Developed Performance Benchmarks
- Identified Policy Issues
- Identified Contingent Fiscal Strategies

5 YEAR BENCHMARKS

	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
NUMBER OF EVENTS	634	709	751	788	820
ROOM NIGHTS	75,745	88,567	107,935	121,420	147,515
USER FEES	3.2 mil	3.9 mil	4.2 mil	4.6 mil	5.0 mil
TOT (City Wide)	10.1 mil	10.6 mil	11.0 mil	11.4 mil	12.2 mil

CONFIRM EXISTING POLICIES

- Enterprise Fund
- SCVB Marketing Center
- Rate Structure for Non-Profit Organizations
- Booking Policy & Convention Criteria

NEW POLICY DIRECTIVES

- ▶ Establish Performance Monitoring
- ▶ Initiate An Annual Fee Review
- ▶ Adopt Convention Shuttle Policy
- ▶ Implement Parking Plan

BUSINESS PLAN RESULTS

- Assessed Performance
- Defined Marketing & Financial Goals
- Identified Marketing & Management Strategies
- Provided a Schedule and Assigned Specific Responsibility
- Requires Monitoring, Reporting & Evaluating Performance

ACTIONS

- **Adopt Steps to Balance Community Center Fund**
 - Defund CIP
 - Adjust ADA Contribution to Pool -50k
 - Reduce Career Positions in FY 98
 - Interfund Transfer from Risk Management Fund
- **Confirm Existing Marketing & Operating Policies for the Sacramento Community Center**
- **Approve Policy Directives**

Item 11.1
 B-2
 B-3

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**SACRAMENTO
 CONVENTION CENTER**

②

**SACRAMENTO CONVENTION
 CENTER
 FACILITY EXPANSION**

③

**BENCHMARKS
 Year End: 1995-96**

1. Convention Center Performance
 - Benchmarks
2. Transient Occupancy Tax
 - Historical
 - Future Assumptions
 - Fund Balance Analysis
3. Business Plan
 - Highlights
 - Policy Issues

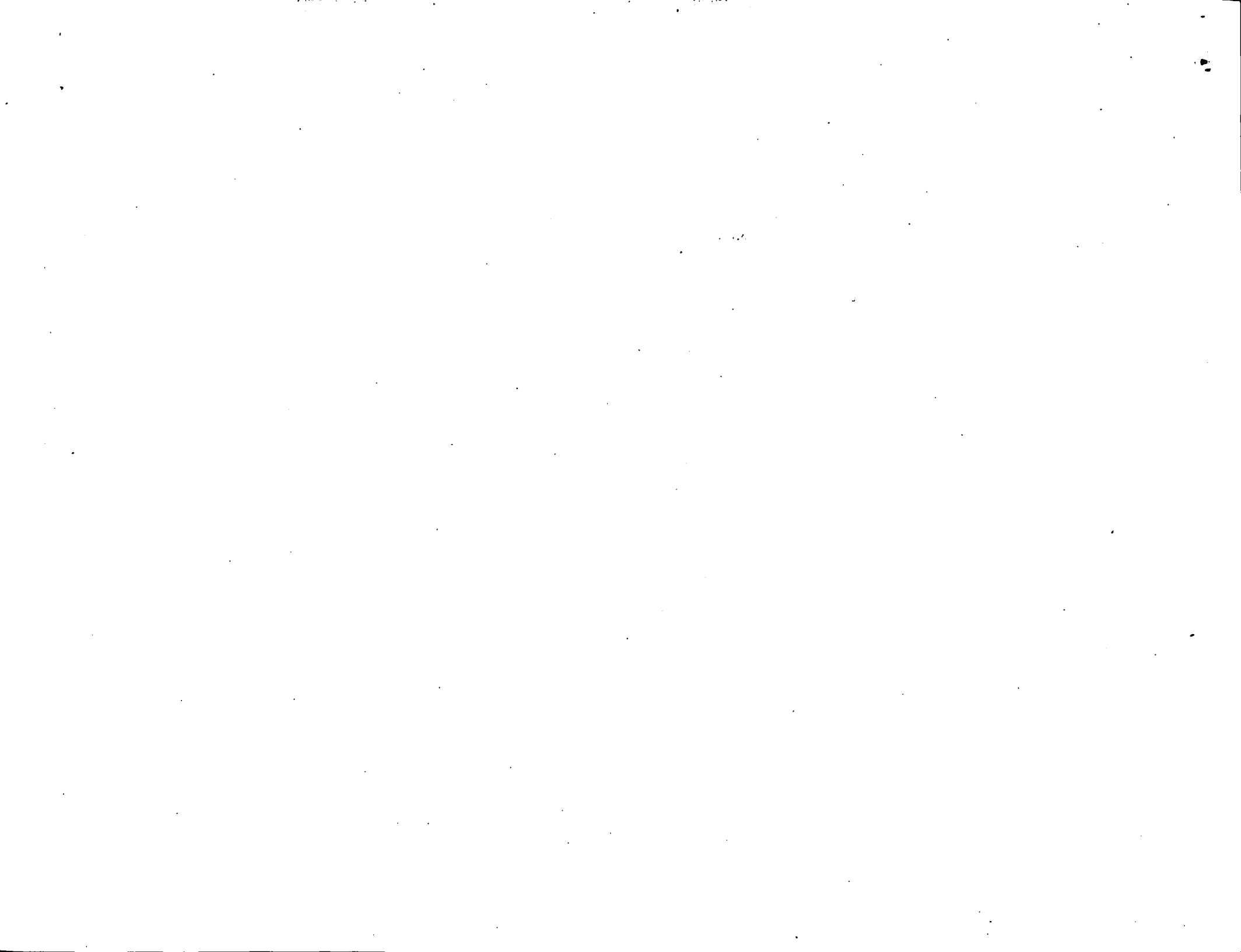
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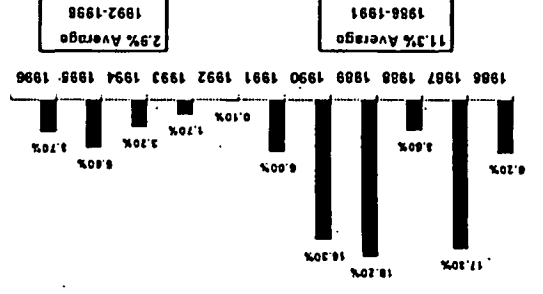
P. 11
 P. 12
 P. 13
 P. 9

Ref.
 Business Plan p. 13

Ref Report B-2



Ref. Report B-2
p. 11



TRANSIENT OCCUPANCY TAX
ANNUAL GROWTH
1986-1996
(10% Share)

(4)

Ref. Report B-2
p. 4

- 300 New Rooms By 2001
- 450 New Rooms By 2004
- No Downtown Convention Hotel

TOT GROWTH ASSUMPTIONS

(5)

Ref. Report B-2
p. 9 (EYA-1)

Year	Revenue	Expenses	Balance
1994-01	2.9	2.2	0.7
1995-01	4.8	3.2	1.6
1996-01	11.2	7.2	4.0
1997-01	21.1	15.1	6.0
1998-01	44.8	32.1	12.7
1999-01	92.9	62.8	30.1
2000-01	101.1	68.0	33.1
2001-01	105.1	72.2	32.9
2002-01	11.2	7.2	4.0
2003-01	11.1	7.1	4.0
2004-01	11.1	7.1	4.0
2005-01	11.1	7.1	4.0
2006-01	11.1	7.1	4.0
2007-01	11.1	7.1	4.0
2008-01	11.1	7.1	4.0
2009-01	11.1	7.1	4.0
2010-01	11.1	7.1	4.0
2011-01	11.1	7.1	4.0
2012-01	11.1	7.1	4.0
2013-01	11.1	7.1	4.0
2014-01	11.1	7.1	4.0
2015-01	11.1	7.1	4.0
2016-01	11.1	7.1	4.0
2017-01	11.1	7.1	4.0
2018-01	11.1	7.1	4.0
2019-01	11.1	7.1	4.0
2020-01	11.1	7.1	4.0

COMMUNITY CENTER FUND
BALANCE

(6)

(7)

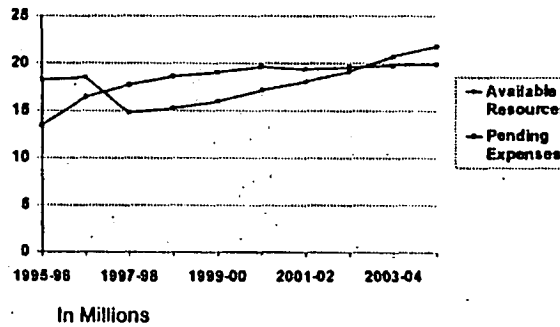
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- Interfund Transfer (Loan)

Ref Report B-2
p 6-7

(8)

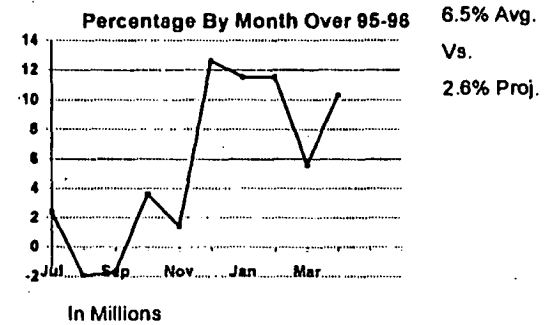
PROJECTED FINANCIAL GAP



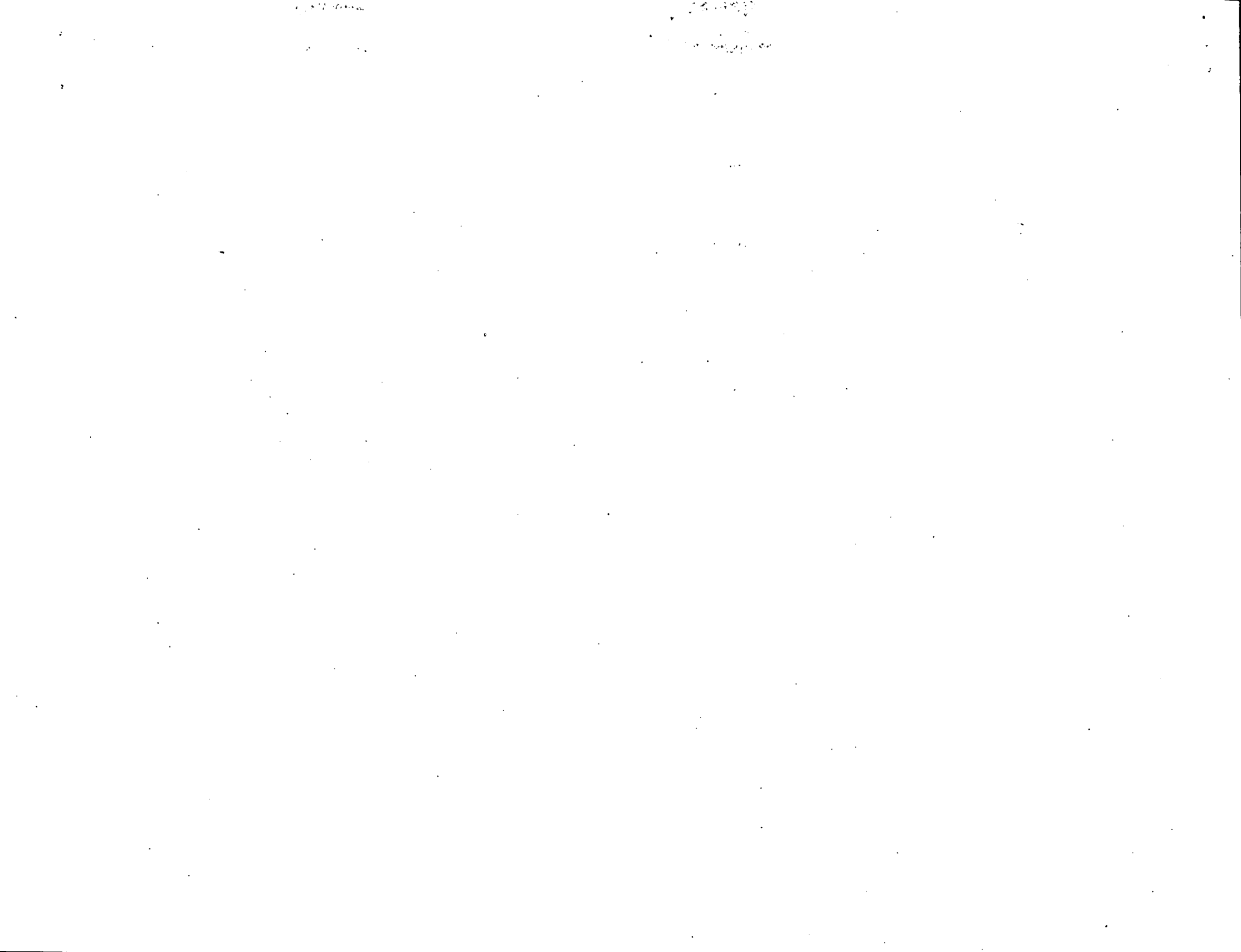
Ref Rpt. B-2
p. 9

(9)

TRANSIENT OCCUPANCY TAX COMPARISON



Ref Report B-2
p. 4



(10)

BUSINESS PLAN HIGHLIGHTS

- > Identified Critical Challenges
- > Developed Specific Goals
- > Developed Performance Benchmarks
- > Identified Policy Issues
- > Identified Contingent Fiscal Strategies

Ref Rep B-3
pg 2

(11)

5 YEAR BENCHMARKS

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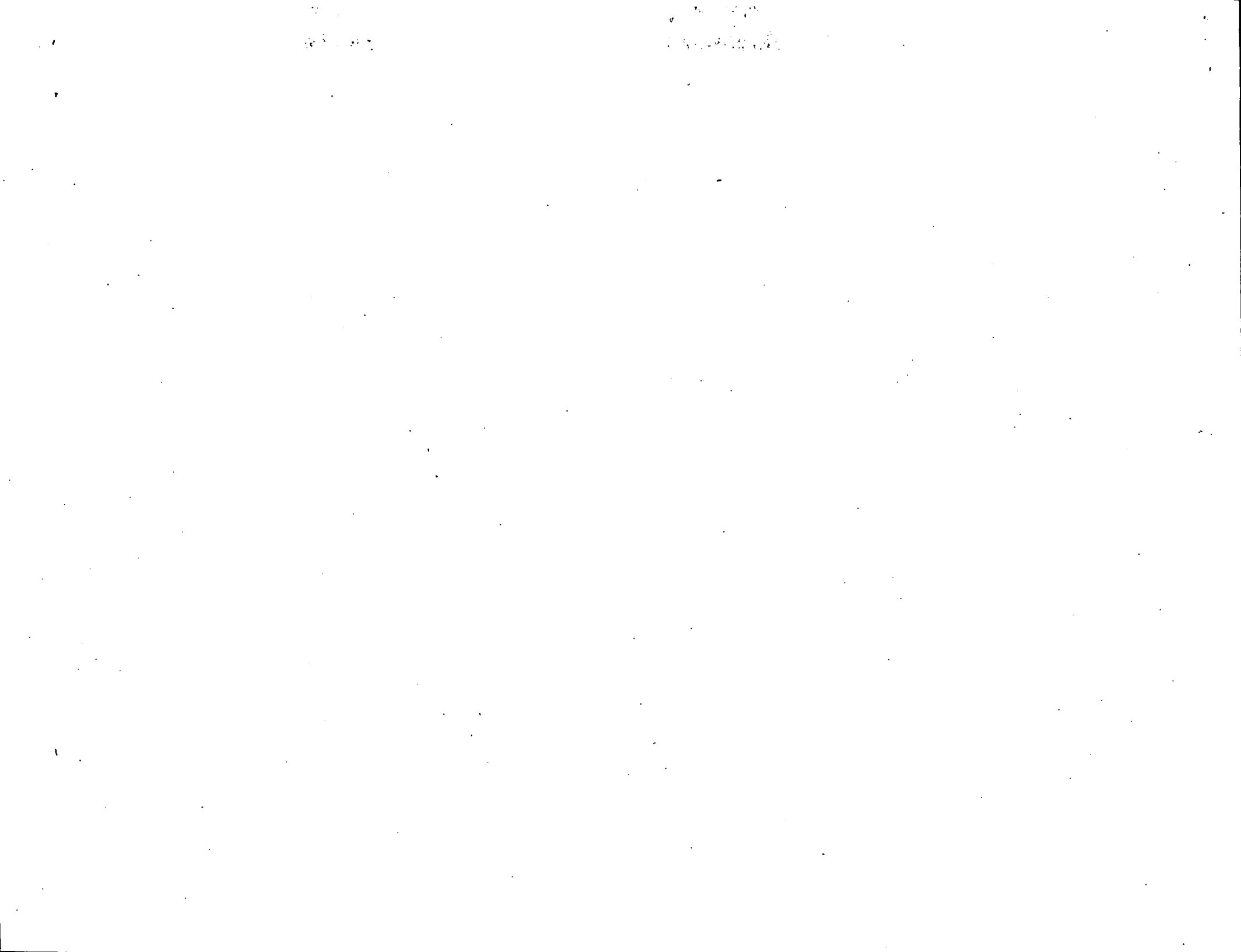
Ref. Business Plan
pg. 36, 46, 68, 65, 66

(12)

CONFIRM EXISTING POLICIES

- > Enterprise Fund
- > SCVB Marketing Center
- > Rate Structure for Non-Profit Organizations
- > Booking Policy & Convention Criteria

Ref. Report B-3
p. 4



(13)

NEW POLICY DIRECTIVES

- > Establish Performance Monitoring
- > Initiate An Annual Fee Review
- > Adopt Convention Shuttle Policy
- > Implement Parking Plan

*Ref. Rpt B-3
p. 5*

(14)

BUSINESS PLAN RESULTS

- Assessed Performance
- Defined Marketing & Financial Goals
- Identified Marketing & Management Strategies
- Provided a Schedule and Assigned Specific Responsibility
- Requires Monitoring, Reporting & Evaluating Performance

(15)

ACTIONS

- Adopt Steps to Balance Community Center Fund
 - > Defund CIP
 - > Adjust ADA Contribution to Pool
 - > Reduce Career Positions in FY 98
 - > Interfund Transfer from Risk Management Fund
- > Confirm Existing Marketing & Operating Policies for the Sacramento Community Center
- > Approve Policy Directives

*Ref. Rpt B-2
p. 16-18*

*Rpt B-3
p. 7*

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SACRAMENTO CITY/COUNTY HUNGER COMMISSION

- FACT SHEET -

The Hunger Commission was created in response to a definitive two-year study commissioned by the Community Services Planning Council. "Hunger Hits Home," published in 1989, defined the scope of hunger in Sacramento County and recommended that the anti-hunger network officially organize to provide better services to feed hungry Sacramentans and prevent food insecurity. In 1990, with funding provided by the City and County of Sacramento, representatives from nutrition programs, religious organizations, emergency food sites, the media, business and advocacy groups joined to form the Sacramento City/County Hunger Commission with the goal of improving the utilization of existing resources and mobilizing new resources to prevent hunger in Sacramento. Members of the Commission work together on the following areas: interprogram planning and coordination, advocacy, community awareness, and resource and program development on behalf of the anti-hunger network. For more information, contact Donna Zick, Program Manager, at (916) 447-7063 ext. 335.

CURRENT PROJECTS OF THE HUNGER COMMISSION

EXPAND CHILD NUTRITION AND NUTRITION EDUCATION PROGRAMS:

- Developed \$21,000 in funding to provide free nutrition education materials to over 200 schools and 50,000 children through the *Tune In To Breakfast* public service campaign. This campaign, co-sponsored by KTXL FOX40, teaches healthy eating habits to children and their families and also provides a tool for promoting the federal School Breakfast program. *Tune In To Breakfast* was recently honored with a John Swett Award for Media Excellence by the California Teachers Association.
- Assisted in increasing participation in the federal Summer Food Service Program to an average of almost 5,000 children a day. The increase equaled 38% more lunches and 50% more snacks served than the previous year, resulting in over \$500,000 brought into the local economy in federal reimbursements.

PROMOTE COLLABORATION AND INCREASE LOCAL FOOD RESOURCES:

- Received a three year federal grant for three full-time AmeriCorps VISTA Members, dedicated to assisting local food providers to prepare for the impact of welfare reform; increasing client self-sufficiency services and expanding home delivered meals for seniors.
- Identified and surveyed over 140 local food providers in Sacramento County to determine what services currently exist and the capacity of private providers to respond to increased demands. Information from the surveys will be used to update InfoLine Sacramento's information and referral database and to assist local providers to develop more efficient, effective and coordinated services.

ASSIST EMERGENCY FOOD RECIPIENTS TO ACHIEVE GREATER SELF-SUFFICIENCY:

- Organized a free all-day workshop for local agencies by national organization World Hunger Year. The workshop teaches agencies how to offer life skills trainings, such as budgeting and nutrition education, to their clients, with the goal of achieving individual self-sufficiency.
- Working collaboratively with SHARE (Self Help and Resource Exchange) of Northern California to house a full-time AmeriCorps VISTA to promote cooperative food buying to low-income Sacramentans, with direct outreach to food stamp recipients. Promotional efforts have increased participation in local cooperative food buying by over 40%.



City of Sacramento

Fiscal Year 1997-98 Budget Hearing

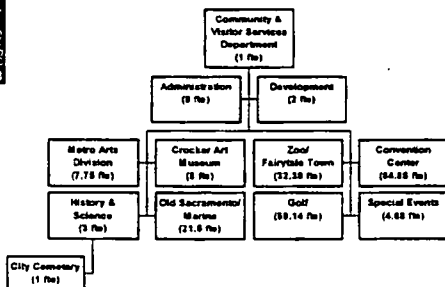
June 17, 1997

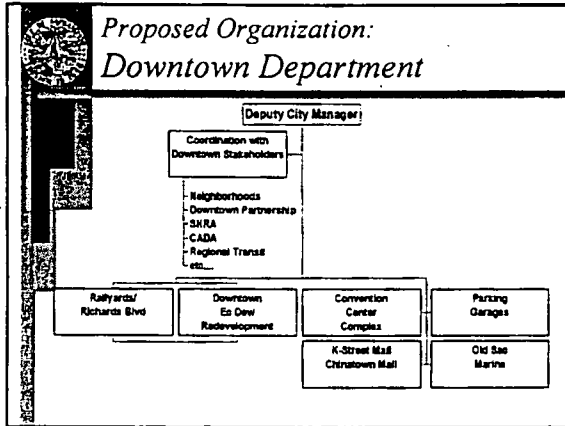
AGENDA

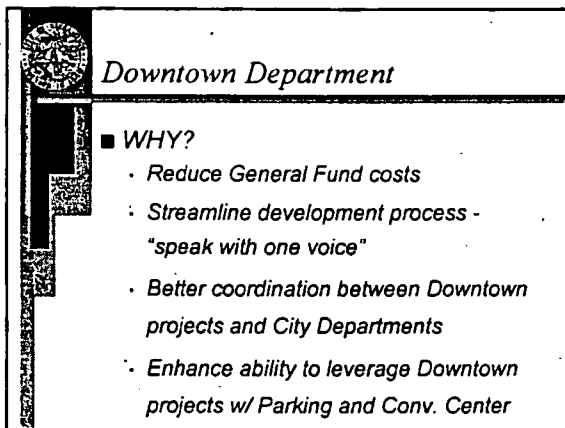
- **COMMUNITY & VISITOR SERVICES**
 - Sacramento Decisions/Budget Reductions
- **DOWNTOWN DEPARTMENT**
 - Restructuring
 - Convention Center Business Plan
- **CULTURAL ARTS CONSORTIUM**
 - Sacramento Decisions/Budget Reductions

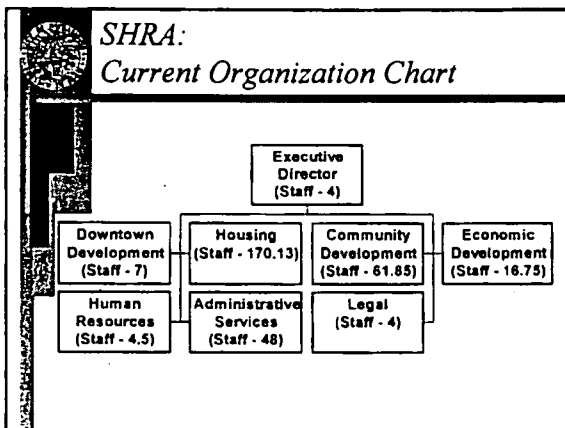
Community & Visitor Services

Staffing Prior to Reorganization









Downtown Department

- **Impact on SHRA**
 - Transfer \$850,000 of TI to City for Econ Dev.
 - Does NOT affect remaining \$21.9 million in Downtown TI
 - No impact on housing funding
 - No impact on social service funding
 - Budget adjustment to be formalized in Agency's 1998 Budget
 - Still rely on Agency for legal support

SHRA
Downtown Area Resources

■ Tax Increment	\$15.3 million
■ Interest/Other	\$2.2 million
■ Prior year Balances	<u>\$5.2 million</u>
• TOTAL	\$ 22.7 million

SHRA
Downtown Expenditures

■ Downtown Staff	\$ 0.85 mil
■ County Human Assist.	1.63 mil
■ Capital Projects	5.93 mil
■ Housing Projects	3.45 mil
■ Agency Operations/Misc	1.92 mil
■ Low/Mod Housing Debt	1.57 mil
■ Commercial Project Debt	<u>7.37 mil</u>
■ TOTAL	\$22.73mil

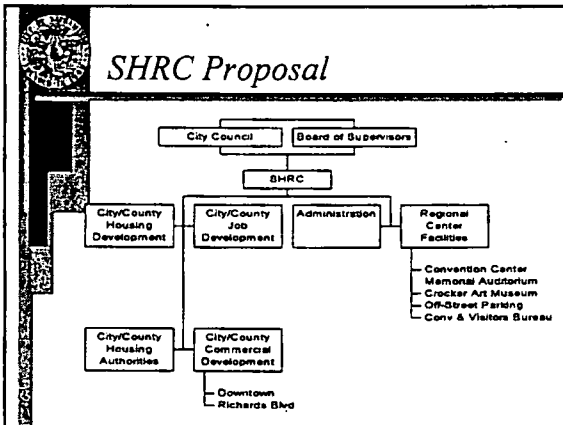
SHRA	
<i>Downtown Expenditures (detail)</i>	
■ Housing Projects	
• Housing Capital Projects	\$ 0.63 mil
• Riverview Plaza Support	0.66 mil
• Public Housing	<u>2.16 mil</u>
• TOTAL	\$ 3.45 mil

SHRA	
<i>Downtown Expenditures (detail)</i>	
■ Operations/Misc:	
• Downtown Partnership	\$ 0.11 mil
• Agency Operations	1.41 mil
• Prop Tax Collection Cost	0.38 mil
• Banking/Fiscal Agent	<u>0.02 mil</u>
• Total	\$ 1.92 mil

Downtown Department	
RECOMMENDATION	
■ Approve creation of Downtown Department.	
■ Approve elimination of General Funding for Downtown Economic Development and replacement with Tax Increment funding.	

Downtown Department
NEXT STEPS

- **Refine Implementation Plan**
 - Define positions for Downtown Ec Dev
 - Reconfirm work program
 - Define relationship with SHRC
- **Work with SHRC/Agency and County on reconfirmation of Agency's future**



FYI:
Convention Center Business Plan

- **Convention Center Business Plan to be presented by Barbara Bonebrake**
- **Separate Overheads to be provided**

Sac Convention & Visitors Bureau

■ Sources of Funding = \$1.76 m

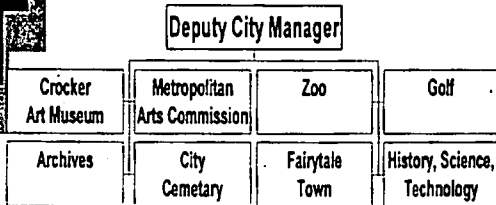
- City TOT/Com Ctr Fund . \$.700 m
- City General Fund .400 m
- City - Budget Cut (.120)m
- County TOT .700 m
- County to match city Cut (.120)m
- Membership .165 m
- Misc revenue .030 m

FYI:
Parking Fund Status

■ Information report on Parking Fund

- history of General Fund Support to Parking
- Presentation by Mel Johnson (if necessary)

Proposed Organization:
Cultural Arts Consortium



*5-Year Workout
General Fund Projection*

	Sacramento Decisions Target	Budget Addendum Proposal
Crocker Art Museum	(180,000)	(50,000)
Metro Arts	(70,000)	(25,000)
Zoo/Fairytale Town	(60,000)	-
Hist/Science Museum	(70,000)	(25,000)
Archives/Cemetary	-	-
	(380,000)	(100,000)
