



**SACRAMENTO
HOUSING AND REDEVELOPMENT
AGENCY**



5

January 27, 1987

Budget & Finance Committee of
the City Council
Sacramento, CA

Honorable Members in Session:

SUBJECT: 1987 Economic Development Program Actions

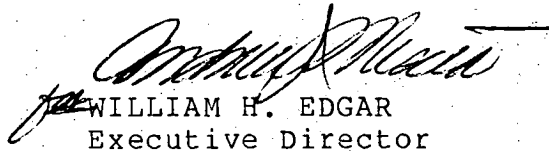
SUMMARY

The attached report is submitted to you for review and recommendation prior to consideration by the Redevelopment Agency and City Council of the City of Sacramento.

RECOMMENDATION

The staff recommends approval of the attached resolution approving the various recommendations.

Respectfully submitted,


WILLIAM H. EDGAR
Executive Director

TRANSMITTAL TO COMMITTEE:


JACK R. CRIST
Deputy City Manager

Attachment



SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY



January 30, 1987

Redevelopment Agency of the
City of Sacramento
City Council of the
City of Sacramento
Sacramento, CA 95814

Honorable Members in Session:

SUBJECT: 1987 Economic Development Program Actions

SUMMARY

This staff report recommends action on several matters related to the 1987 operation of the Agency's Economic Development Program. These matters include: 1) Authorization to extend the commercial revitalization coordinator contracts for Del Paso Boulevard and Franklin Boulevard through June 30, 1987, and December 31, 1987, respectively; 2) Authorization to amend the design service contract with Hansen and Associates to increase the amount by \$20,000 in the City of Sacramento, \$25,000 in the County of Sacramento, and \$5,000 each in Del Paso Heights and Oak Park; 3) Authorization to continue to provide the Agency's commercial financing programs on Del Paso Boulevard; 12th Street; Franklin Boulevard; Oak Park/Broadway; Stockton Boulevard; Marysville Boulevard; 24th/Meadowview; Main Street, Isleton; Walnut Grove; and Rio Linda/M Street, through December, 1987; and 4) Transfer various fund balances and program income to the general Economic Development line item. In addition, an update of the 1986 commercial revitalization accomplishments and commercial financing activity is included.

BACKGROUND

The Agency currently has 11 commercial revitalization target areas in the City and County of Sacramento. The seven City areas include Del Paso Boulevard, 12th Street, Franklin Boulevard, Oak Park/Broadway, Stockton Boulevard, Marysville Boulevard and 24th/Meadowview. The five County areas include Stockton Boulevard (this area covers both the City and County), Elk Grove Old Town, Main Street in Isleton, Walnut Grove, and Rio Linda/M Street (see map, Attachment I).

(1)

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Each of the above areas is at a different stage of implementation. For example, Rio Linda and Walnut Grove were approved for designation less than a year ago, whereas Del Paso Boulevard will be completing its final phaseout activities during the coming year. (For an overview of the various steps followed by the economic development staff upon designation and a discussion of the technical services provided, see Attachment II.) A summary of the key 1986 accomplishments in each of the areas is included in Attachment III.

As mentioned in Attachment II, commercial revitalization coordinators are provided in the majority of these areas (with the exception of Isleton and 12th Street, where the services are provided internally by Agency staff). The coordinators provide direct technical assistance to the property and business owners, help implement the approved commercial revitalization strategies, market the Agency's financing programs and promote/market the area to stimulate reinvestment in these areas. The proposed action program for 1987 for each of the coordinators is included as Attachment IV. Concerning the coordinators whose contracts expire in 1986, it is recommended that the coordinator contracts for Del Paso Boulevard and Franklin Boulevard be extended through June 30, 1987 and December 31, 1987, respectively, and the Meadowview contract be discontinued. The Del Paso Boulevard contract is extended for only six months as both the staff and coordinator feel this is a sufficient amount of time to complete the outstanding work items to close out this area. Franklin Boulevard, on the other hand, will need at least another year to complete its commercial revitalization plan work items (see 1987 work program for both areas in Attachment V).

Although a recommendation is not being made to extend the 24th/Meadowview contract, given the Agency's and City's interest to assist in the physical and economic rejuvenation of the 24th/Meadowview intersection, it is recommended that the economic development financing programs continue to be available in this area through 1987. (Note: As indicated in Attachment III, a series of meetings was held with Agency staff and the Meadowview Improvement Committee (MIC) throughout the last quarter of 1986 to discuss the phaseout of the commercial revitalization coordinators and to provide a structure for the continuation of the job development, crime prevention and economic development efforts in the area. A 1987 Work Program was prepared and approved by the MIC [see Attachment VI]. As discussed in this attachment, Agency staff will continue to provide direct assistance to the MIC throughout the coming year.)

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Along with the coordinator services, the Agency provides three financing programs in these areas: 1) The Commercial Facade Program - a grant for 50% of the costs of exterior improvements up to \$5,000 per storefront (or \$7,500 when roof repairs are performed); 2) The Commercial Rehabilitation Loan Program - a subsidized loan through a private lending institution at 6% interest, \$200,000 maximum loan amount, 15 year term for more extensive rehabilitation (i.e. code items, structural work, electrical, roof work, etc.) and 3) The Direct Commercial Loan Program - a loan at 7.5% interest, \$200,000 maximum loan amount, 15 year term for owner occupants for a) new construction, b) acquisition/rehabilitation, and c) individuals not bankable under the Commercial Rehabilitation Loan Program. Direct financing is provided up to \$50,000 with a match of one-to-one public to private funds over this amount. Developer (i.e. non owner-occupant) financing is also provided under the direct loan program for 25% of the costs, \$200,000 maximum loan amount, 7.5% interest and 10 year term (maximum amortization 20 years). In addition to providing assistance to the above targeted areas, in 1986 the economic development division added the administration of Sacramento Heritage's Facade and Developer Assistance Programs for commercial projects in the downtown target area from I to L and 7th to 16th.

Since the economic development program's inception, a total of \$1,857,871 has been loaned to small businesses in these target areas (see breakdown of direct loan borrowers per target area in Attachment VII-A). In addition, another \$209,570 has been provided under the Agency's Commercial Rehabilitation Program to subsidize conventional interest rates, leveraging an additional \$828,246 of private funds (see Attachment VII-B). Finally, under the Agency's Commercial Facade Program, approximately \$183,000 has been rebated to 51 different properties, leveraging another \$183,000 of private funds. A breakdown of the level of activity in each target area is included in Attachment VIII.

By far the facade program has been the most active of all the Agency's financing programs. Based on conversations with the coordinators, the Certified Development Company loan packager, and property owners of the target areas, this is attributed to the fact that the overriding majority of the property owners are reluctant to encumber their property with additional debt recognizing their inability to realize a return on their investment in the targeted neighborhood areas. In addition, the Davis Bacon wage rate requirements greatly inhibit involvement in the Community Development Block Grant funded areas. Despite these shortcomings, Agency staff believes we have some excellent programs to offer these areas and are optimistic that we are making significant inroads, albeit not as quickly as we'd like, in the majority of our areas.

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Finally, an important service provided in the financing programs is the free design services for facade improvements. Given the demand and positive experience we have had with the provision of these services, it is recommended that the design service contract with Hansen and Associates be extended another year for an additional \$20,000 in the City, \$25,000 in the County CDBG funded areas, \$5,000 in Del Paso Heights, and \$5,000 in Oak Park. (Note: A staff report on the Downtown Commercial financing programs will be presented on this agenda detailing the program's operation and requesting an additional \$35,000 for downtown design services.)

FINANCIAL DATA

The funds for continuation of the coordinator services for Del Paso Boulevard (\$12,500), for Franklin Boulevard (\$25,000), and for the City design services (\$20,000) will be financed by City Community Development Block Grant Economic Development funds (B04318/Fund 217). The funds for the continuation of the County design services (\$25,000) will be financed by County Community Development Block Grant Economic Development Funds (A08331/Fund 245). Given the proposed 1987 economic development activities, a fund balance exists of \$124,000 for commercial financing programs in the City Economic Development Program and \$518,000 in the County of Sacramento CDBG Economic Development Program. (Note: These fund balances will be reduced once the Stockton Boulevard, Rio Linda and Walnut Grove Financing Plans are approved in March and April.) The above referenced fund balances take into consideration the coordinator and design services and the loan/grant commitments made to date. The \$5,000 for the Del Paso Heights design services will be financed from Del Paso Heights tax increment funds (A00527) and the \$5,000 for the Oak Park design services will be financed from Oak Park tax increment funds (A00731).

Staff is also recommending minor adjustments to transfer program income and fund balances from completed and discontinued projects. These include miscellaneous Economic Development accounts (i.e. 12th Street Architectural Design Services, 12th Street Entrance/Exit Signs and Meadowview Market Study) and the program income accounts (i.e. Kanpai Urban Development Action Grant loan proceeds and commercial loan repayments).

ENVIRONMENTAL REVIEW

No environmental review action is necessary. The environmental review was previously performed when the coordinators and architectural services contracts were first executed.

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POLICY IMPLICATIONS

There are no new policy implications as a result of these actions.

RECOMMENDATIONS OF BUSINESS ASSOCIATIONS

Both the Franklin Business Association and North Sacramento Chamber of Commerce reviewed and approved staff's recommendations for the continuation of the coordinator services for Franklin and Del Paso Boulevards, respectively.

VOTE AND RECOMMENDATION OF COMMISSION

At its regular meeting of February 2, 1987, the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolution. The votes were as follows:

AYES:

NOES:

ABSENT:

RECOMMENDATION

The staff recommends adoption of the attached resolution which: 1) Authorizes the Executive Director to extend the commercial revitalization coordinator contracts for Del Paso Boulevard with Mark Briggs and Associates, and Franklin Boulevard with Zephyr Urban Management Associates through June 30, 1987 and December 31, 1987, respectively; 2) Authorizes the Executive Director to amend the design service contract with Hansen and Associates to increase the amount \$20,000 in the City, \$25,000 in the County of Sacramento, \$5,000 in Oak Park and \$5,000 in Del Paso Heights; 3) Authorizes the Executive Director to continue to provide the Agency's commercial financing programs in Del Paso Boulevard;

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12th Street; Franklin Boulevard; Oak Park/Broadway; Stockton Boulevard; Marysville Boulevard; 24th/Meadowview; Main Street, Isleton; Walnut Grove and Rio Linda/M Street through December, 1987; and 4) Authorizes the Executive Director to amend the City and County CDBG budgets to finance the above services and to transfer various fund balances and program income in the City Community Development Block Grant budget.

Respectfully submitted,

William H. Edgar

WILLIAM H. EDGAR
Executive Director

WHE/SML:cmc

TRANSMITTAL TO COUNCIL:

WALTER J. SLIPE
City Manager

Contact Person: Thomas V. Lee, 440-1355

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amount of \$7,000, 12th Street Architectural Design Services (Cost Center A04296/Fund 214) in the amount of \$437.35, Meadowview Market Study (Cost Center A04328/Fund 215) in the amount of \$6,529.54 to the General Economic Development line item (Cost Center B04318/Fund 217); 5) transfer the program income from the Urban Development Action Grant/Kanpai loan proceeds in the amount of \$59,015.65 and Direct Commercial loan repayments in the amount of \$5,582.91 to the General Economic Development line item (Cost Center B04318/Fund 217); 6) Allocate \$5,000 from Oak Park Tax Increment Funds (A00731) and \$5,000 from Del Paso Heights Tax Increments Fund (A00527) for commercial design services with Hansen & Associates.

Section 3: The Executive Director is hereby authorized to continue providing the Agency's commercial financing programs within the 12th Street, 24th/Meadowview, Stockton Boulevard, Del Paso Boulevard, Franklin Boulevard, Marysville Boulevard and Oak Park/Broadway Commercial Target Areas until December 31, 1987 as shown on the map attached hereto as Exhibit "A".

CHAIR

ATTEST:

SECRETARY

RESOLUTION No.

Adopted by The Sacramento City Council on date of

AMENDING THE COMMUNITY DEVELOPMENT BLOCK
GRANT BUDGET FOR FRANKLIN AND DEL PASO
BOULEVARD COMMERCIAL REVITALIZATION COORDINATORS,
DESIGN SERVICES FOR THE TARGET AREAS, AND
MISCELLANEOUS ECONOMIC DEVELOPMENT FUND BALANCE
AND PROGRAM INCOME TRANSFERS

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

Section 1: The City Council does hereby amend the
Community Development Block Grant Budget as follows:

1) Transfer \$25,000 in CDBG Economic Development Funds
(Fund 217/Cost Center B04318) to a 1987 line items entitled
"Franklin Boulevard Commercial Revitalization Coordinator" (Cost
Center J04319/Fund 218);

2) Transfer \$12,500 in CDBG Economic Development Funds
(Fund 217/Cost Center B04318) to a 1987 line item entitled "Del
Paso Boulevard Commercial Revitalization Coordinator" (Cost
Center J04284/Fund 218);

3) Transfer \$20,000 in CDBG Economic Development Funds
(Fund 217/Cost Center B04318) to a 1987 line item entitled
"Hansen and Associates Design Services" (Cost Center J04411/Fund
218);

4) Transfer the following fund balances: 12th Street
Entrance/Exit Signs (Cost Code A04294/Fund 214) in the amount of
\$7,000, 12th Street Architectural Design Services (Cost Center
A04296/Fund 214) in the amount of \$437.35, Meadowview Market
Study (Cost Center A04328/Fund 215) in the amount of \$6,529.54 to
the General Economic Development line item (Cost Center
(B04318/Fund 217); and

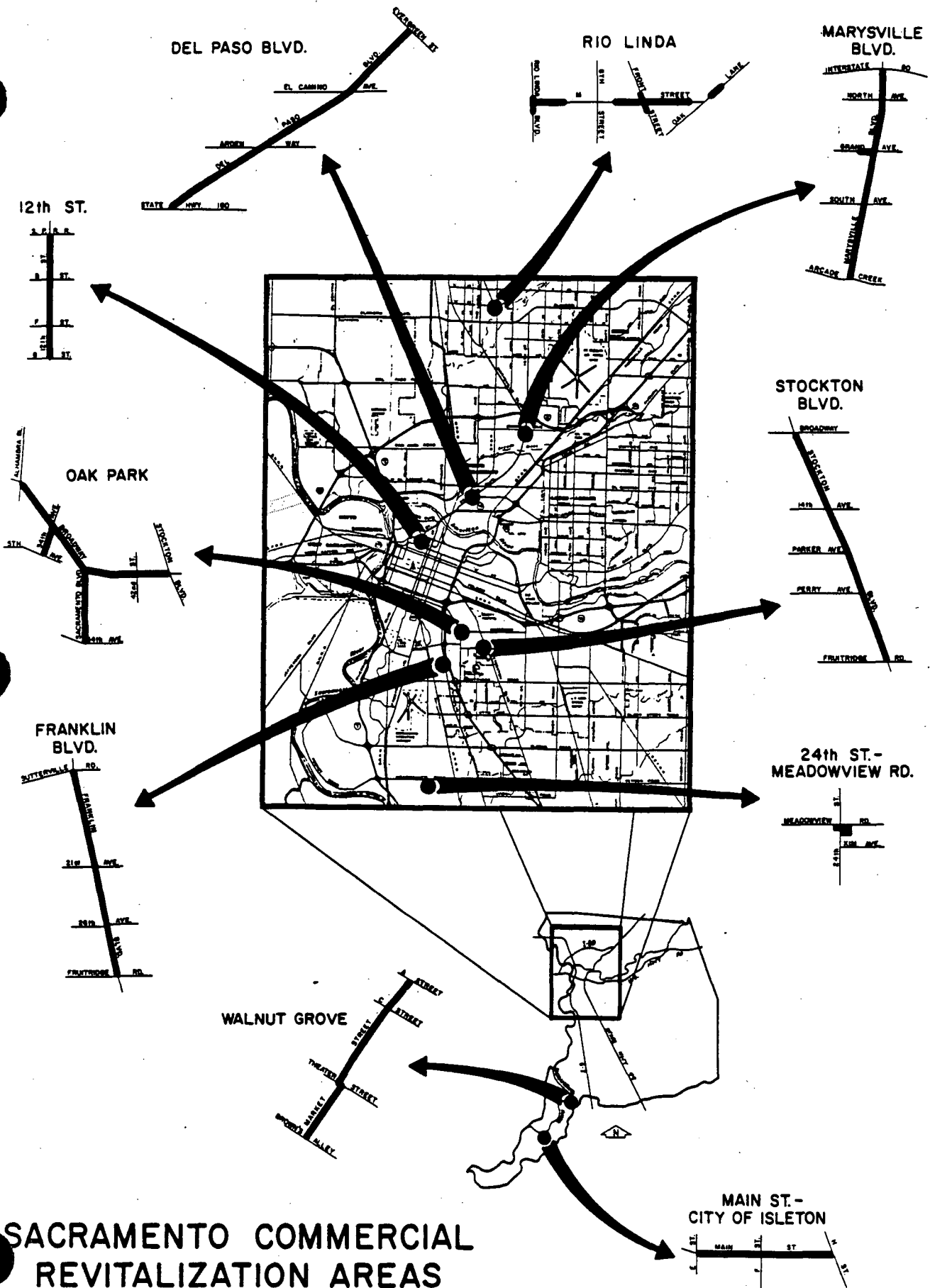
5) Transfer the program income from the Urban Development Action Grant/Kanpai loan proceeds in the amount of \$59,015.65 and Direct Commercial loan repayments in the amount of \$5,582.91 to the General Economic Development line item (Cost Center B04318/Fund 217.

MAYOR

ATTEST:

CITY CLERK

0718L



SACRAMENTO COMMERCIAL REVITALIZATION AREAS

NOTE: FOR FURTHER CLARIFICATION, DETAILED MAPS CAN BE OBTAINED FROM THE REDEVELOPMENT AGENCY.

(11)
*Note: Old Town Elk Grove is not identified as no financing programs are available

OVERVIEW OF ECONOMIC DEVELOPMENT ADMINISTRATION
AND SERVICES

I. Target Area Designation and Plan Implementation

The Agency has initiated a formalized process to select additional target areas. This process is followed when considering new County or City target areas. Given the limited amount of funds available in the economic development program, it is important to curb the temptation to overextend our involvement into too many commercial areas and to employ a formalized selection process where the limited resources can be directed to the most deserving commercial areas. This designation process is then followed by a number of implementation steps.

A discussion of the six steps employed in the analysis, designation and implementation of the Agency's commercial revitalization target areas follows:

Step One: Agency staff analysis of commercial area(s) - This selection process includes analysis and comparison of all commercially zoned areas throughout the County regarding: percentage of low/moderate income individuals served by the commercial area, building conditions, vacancy rates, strength of the business association (if one exists), degree of private interest in reinvestment in the area and in participation in the Agency's financing programs, a mini market analysis of demand for existing and new businesses, and determination as to the types of economic development activities necessary to rejuvenate the commercial area. The priorities of the commercial areas for designation are then determined.

Step Two: Governing Body Designation - After the completion of the above analysis, depending upon the geographical location of the commercial area, the staff recommendations for designation are presented to the Board of Supervisors or City Council.

Step Three: Market Study - Upon designation, an independent consultant is hired through a Request for Proposals (RFP) process to perform a more thorough analysis of the market demand for existing and new businesses.

Step Four: Hiring of Commercial Revitalization Coordinator - Upon completion of the market analysis, a commercial revitalization coordinator is hired through a RFP process. The Scope of Services in the RFP is tailored to the individual needs of the commercial area. Generally speaking, however, when a new area is designated, the services include:

- (1) Organizing/strengthening of the business association;
- (2) Completion of a commercial revitalization plan (including capital improvements, technical assistance, commercial financing, security, maintenance and any other unique requirements for the area along with the estimated budget figures and a schedule for implementation);
- (3) Completion of design guidelines;
- (4) Marketing of Agency commercial financing programs;
- (5) Implementation of promotional activities for image building;
- (6) Provision of technical assistance for the business operators;
- (7) Marketing of the area for new businesses; and
- (8) Establishment of a business improvement district (optional)

The commercial revitalization coordinators are contracted with for a year's period. During that period, contract funds are disbursed based upon the performance of the annual work program developed for the area. The coordinators are monitored by the Economic Development Unit.

Step Five: Implementation - The approved commercial revitalization plan identifies the comprehensive needs of the area and provides Agency staff and the coordinator with a necessary planning tool to help direct the revitalization of the commercial area. The plan is written for a finite period (approximately 3-5 years). Generally a commercial revitalization coordinator is hired on an annual basis for the first few years to assist in the day-to-day responsibilities for its implementation. Eventually, however, as the Agency will move on to other areas, the goal of the commercial revitalization effort is to stimulate self sufficiency on the part of the business association to allow for ongoing commercial success and strength of the area. An important tool in providing this self-sufficiency is frequently the designation of a business improvement district.

Step Six: Close-Out Action - Upon implementation of the commercial revitalization plan and/or upon the realization that enough private interest in the revitalization process has been stimulated which will not require public support, the Agency will present a staff report to the Board or Council recommending termination of the area as a target area.

II. Technical Assistance

The second area of change within the Economic Development Unit involves the increased range of technical assistance available to target area businesses. Currently the Agency provides three types of technical assistance to target area businesses:

(1) Loan packaging assistance - Loan packaging services for the Agency's Commercial Rehabilitation Loan Program, the Direct Commercial Loan Program and conventional loans such as the SBA 7a loan guarantee program are provided free of charge to existing and potential target area businesses. This service is available under the Agency's contract with the Greater Sacramento Certified Development Corporation. (See detail later in this report on this contract.)

(2) Design Services - Participants in the Commercial Facade Program receive free design services for exterior improvements through the Agency contracts with two design firms, Hansen and Associates and West Coast Signs and Design Services.

(3) Commercial Revitalization Coordinator Services - General forms of business assistance are available through one-on-one consultations with area businesses and business workshops. Subjects include marketing, accounting/financial planning, security, business start-up considerations, etc.

COMMERCIAL TARGET AREA

Del Paso Boulevard
Rick Zimmer, Coordinator
(Mark Briggs & Associates)

1986 ACCOMPLISHMENTS

- 1) Commercial Financing Program
 - 13 Facade Grant Applications Received
 - 15 Facade Grants Approved
 - 1 Commercial Rehabilitation Loan Approved
 - 3 Direct Commercial Loans Approved
- 2) Chamber committee work completed on formation of business improvement district
- 3) Chamber committee work completed on special planning district
- 4) Marketing information prepared for real estate brokers

Franklin Boulevard
Ed Astone, Coordinator
(Zephyr & Associates)

- 1) Commercial Financing Programs
 - 10 Facade Grant Applications Received
 - 1 Facade Grant Approved/3 Facade Grants completed
- 2) Real Estate Marketing Survey Performed. Marketing Strategy for 1987: 1) Public article(s) in the Business Journal to enhance the image of the Boulevard and 2) Schedule meetings with brokers and the Franklin Board of Directors.
- 3) Marketing material and folder prepared for real estate brokers.

Elk Grove, Old Town
(Michael Knapp & Associates)
(Michael Knapp & Associates)

- 1) Annual promotion calendar approved. Promotions held for watermelon giveaway, sidewalk sale, dance and Christmas. Next major event is craft festival.
- 2) Application for National Register nomination submitted to State OHP.
- 3) Design guidelines drafted including capital improvement plan.
- 4) Marketing material prepared for real estate brokers and interested investors. Slide show prepared on the boulevard.
- 5) Property owners and businesses interviewed regarding financing needs and development plans.

24th & Meadowview
(Toppenberg & Replogle)

- 1) Worked with major commercial property owner and tenant in resolving disputes and placing property for sale.
- 2) Developed marketing material and coordinated the marketing of the property for potential developers.
- 3) Organized a very successful "Job/Safety Faire" for the neighborhood.
- 4) Organized a Job Development Committee and prepared a strategy to increase job opportunities in the Meadowview area.
- 5) Performed a survey for Meadowview residents to obtain feedback on the operation/components of the special planning district ordinance.
- 6) One facade grant approved and completed for convenience market.

7) Meeting held with MIC and Agency staff to discuss phase-out of coordinators and to prepare MIC's 1987 work program. Agency staff will continue to provide direct services to the MIC in community development, housing and economic development.

Oak Park
Derrell Roberts

- 1) New revitalization coordinator selected.
- 2) Financing:
 - 8 Facade Applications Received
 - 9 Facade Grants Approved
 - 1 Commercial Rehabilitation Loan Approved
 - 5 Direct Commercial Loans Approved
- 3) Various promotions held: Trash-Ball, Christmas, Jazz Festival.
- 4) Revitalization Plan drafted

Marysville Boulevard
(Zephyr & Associates)

- 1) Commercial Financing Programs
 - 3 Facade Applications Received
 - 1 Commercial Loan Approved
- 2) Marketing material prepared for distribution to real estate brokers and investors.
- 3) Neighborhood resident survey prepared on commercial revitalization/marketing demands
- 4) Draft revitalization plan prepared

Stockton Boulevard
(Rick DeGregorio)

- 1) Commercial Financing Programs
 - 7 Facade Applications Received
 - 2 Commercial Loans Approved
- 2) Selected new commercial revitalization coordinator
- 3) Established real estate data bank of properties for sale/lease
- 4) Nine new businesses located on the boulevard
- 5) Business association sponsored a luncheon for developers and real estate agents to encourage private investment
- 6) Association increased membership 300% over last year; representing over 45 paid members
- 7) Revitalization plan drafted

12th Street

- 1) Commercial Financing Programs
 - 6 Facade Applications Received
 - 1 Commercial Rehabilitation Loan Approved and Completed
 - 1 Direct Commercial Loan Approved (subsequently project dropped) for day care operation
- 2) Thunderbird/City Center disposition and development proceeded -- demolition contract awarded.

Rio Linda/M Street
(Toppenberg and DeGregorio)

- 1) Commercial Financing Programs
 - 2 Facade Applications Received
- 2) Agency staff completed market study of Rio Linda Commercial area and received approval of its designation as a target area

- 3) Selected commercial revitalization coordinator
- 4) Organized business association
- 5) Drafted design guidelines and sections of revitalization plan
- 6) Implemented consumer survey/store coupon promotional event
- 7) Six month evaluation performed - based on progress, decision made to continue area

Walnut Grove
(Michael Notestine)

- 1) Commercial Financing Programs
 - 7 Facade Applications Received
 - Feasibility study performed for commercial loan
- 2) Agency staff completed market feasibility study for Walnut Grove commercial revitalization and received approval of its designation as a target area
- 3) Selected commercial revitalization coordinator
- 4) Established business association
- 5) Tourism promotion identified as priority in annual work program - reflected in tentatively scheduling a boat show in May
- 6) Real estate data base completed on property for sale and lease in area
- 7) Revitalization plan and design guidelines completed
- 8) Six month evaluation performed - based on progress decision made to continue area

Main Street, Isleton

- 1) Commercial Financing Programs
 - 4 Facade Applications Received
 - 1 Commercial Rehabilitation Loan Approved
 - 1 Direct Commercial Loan Approved

- 2) Business association continues in operation - priority issues involve promotion and undergrounding of utilities.

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COORDINATOR CONTRACT RECOMMENDATIONS

<u>Coordinator/Area</u>	<u>Contract Period</u>	<u>Proposed Action</u>
Ed Astone/Franklin Blvd.	April 17, 1984 - December 31, 1986	Extend contract through December 31, 1987. This will allow coordination of capital improvement planning and financing plan approval and continued extensive marketing of Agency's financing programs.
Ed Astone/Marysville Blvd.	November 1, 1985 - February 28, 1987	Recommendation will be forthcoming by the Neighborhood Development Division upon approval of the Marysville Boulevard Commercial Revitalization Plan.
Rick DeGregorio/Stockton Blvd.	May 1, 1986 - April 30, 1987	Recommendation will be forthcoming by the Neighborhood Development Division upon approval of the Stockton Boulevard Commercial Revitalization Plan.
Michael Knapp/Elk Grove	May 1, 1986 - April 30, 1987	None at this time. Coordinator on schedule with one year work program.
Michael Notestine/ Walnut Grove	June 1, 1986 - June 30, 1987	Six month evaluation performed. Due to extensive early involvement in financing programs and accomplishments to date, decision reached to continue contract through June, 1987. Performance will be evaluated again in May, with a decision forthcoming whether contract should be extended.
Chris Toppenberg/Rio Linda	July 1, 1986 - June 30, 1987	Six month evaluation performed. Although strong involvement in financing programs has not been shown to date, the coordinator has been very successful in eliciting involvement in promotional activities and association. Performance will be evaluated again in May, with a decision forthcoming whether contract should be extended.
Chris Toppenberg/Meadowview- 24th Street	September 1, 1985 - December 31, 1986	A one year contract was previously extended in September for another four months through December, 1986. During this time period, Agency staff met with the Meadowview Improvement Committee (MIC) and resolved the phase-out of the Coordinator in December. Agency staff will continue to be available to MIC to continue on the progress made in the community to date, i.e. security issues, job development and housing.
Rick Zimmer/Del Paso Blvd.	December 9, 1985 - December 31, 1986	A coordinator has been under contract for the last 3 1/2 years along Del Paso Boulevard. Based upon meetings with the North Sacramento Chamber of Commerce Board, the Coordinator, and Agency staff, it is recommended the contract be extended another six months, through June 30, 1987. This will allow the coordinator to complete the remaining work items, i.e. formation of the business improvement district and coordination of light rail operation and the special planning district.

Coordinator/Area

Derrell Roberts/Oak Park

Contract Period

April 28, 1986 -
May 1, 1987

Proposed Action

Recommendation will be forthcoming by the Neighborhood Development Division upon approval of the Oak Park Commercial Revitalization Plan.

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ZEPHYR ^{URBAN} MANAGEMENT ASSOCIATES

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FRANKLIN BOULEVARD COMMERCIAL AREA

1987 - WORK PROGRAM

I. INTRODUCTION

The Franklin Boulevard Commercial Area was targeted for a commercial revitalization effort with the work of a commercial revitalization coordinator funded by Sacramento Housing and Redevelopment Agency.

The commercial revitalization effort commenced in April, 1984, and has progressed through 1986. It is the intent to continue with the coordinating effort with the work program for 1987 placing emphasis on those items not yet completed and to continue to pursue the overall goal of an enhanced physical setting leading to an enhanced commercial core.

It is proposed that Zephyr Urban Management Associates continue its work as revitalization coordinator. Ed Astone, principal in the firm, would continue as the lead revitalization coordinator.

The primary goal of the consulting coordination effort is to continue the commercial revitalization program that includes attention to several specific work elements.

This concentrated consulting effort is for a one year period commencing January 1, 1987, and proceeding through December 31, 1987.

II. PROGRAM ELEMENTS

A. PROGRAM ADMINISTRATION

Included in this item throughout the majority of the year is the work of dealing with the Agency on many aspects of the contractual arrangement between the coordinator and SHRA. In the later term of the work year, included in this item, is the drafting of the project report for the current work year and the work program for the 1989 work year.

B. FRANKLIN BOULEVARD BUSINESS ASSOCIATION

The work of the coordinating effort with FBBA will be to generally monitor the work of the Association, its organizational participation and leadership and assure the timely and cost effective utilization of the business improvement district funds. Included in this work element will be:

1. Board Meetings (6)
2. General Meetings (2)
3. Newsletters (4)

Support Services

1. Maintain bank account and financial records.
2. File tax returns and communicate with IRS and Franchise Tax as needed.
3. Publish newsletters (quarterly).
4. Maintain Franklin Boulevard data bank of information.
 - a. Business Owners
 - b. Property Owners
 - c. Demographic Fact Sheet
 - d. Market Analysis Data
 - e. Block and Parcel Maps
 - f. Etc.
5. Special mailouts to Franklin Boulevard business community.
6. Coordinate with others on an as needed basis.
7. Continue public relations program.
8. Coordinate maintenance contract and program.

C. PUBLIC IMPROVEMENTS

With the funding becoming available in the last quarter of 1986, the main thrust of the task is:

1. Coordinate as necessary on the engineering planning of the public facilities.
2. Coordinate as necessary on the engineering planning of the underground utility district.
3. Coordinate with SHRA/City on available public funding for the needed curbs, gutters, sidewalks.
4. Develop marketing program for the private funding to satisfy short fall.
5. Coordinate the implementation of the marketing program with the involved private ownerships.

D. FACADE REBATE GRANTS, BUILDING REHABILITATIONS, NEW DEVELOPMENT

1. Continue as liaison as needed between property and business owners and SHRA and other lenders.
2. Provide informational support for those considering the upgrading of their property.
3. Provide informational support for those considering the acquisition of one or more of the commercial parcels.
4. Continue as liaison as needed between the Franklin Boulevard business community and the real estate brokers.

E. MISCELLANEOUS ITEMS

1. Security

The three elements of the security program to be monitored and coordinated are: loitering and general vandalism; the low riders and the constant threat of Franklin Boulevard becoming the "stroll" for prostitution. Regular contacts with specific Sacramento Police Department staff are an important part of this work element.

2. Design and Improvement Criteria

Included in this work element is the general coordination of the Design and Improvement Manual including any amendments appropriate and any supplemental information necessary.

3. General Coordination

This is a generic work element which includes any and all of the coordination of any aspect of the Franklin Boulevard commercial revitalization effort not included in the other specific areas, particularly any miscellaneous contacts with business and property owners or prospective business and property owners.



COORDINATOR WORK PROGRAM
DEL PASO BOULEVARD REVITALIZATION PROGRAM
SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

January 1, 1987 through June 30, 1987

A. Business Improvement District

1. Complete Chamber of Commerce recommendations.
2. Prepare and submit request to City.
3. Attend public meetings held by City.
4. Monitor and assist in City processing.
5. Attend public hearings held by City Council.
6. Advise Chamber of Commerce during processing.
7. Assist in preparing Chamber for beginning of Business Improvement District.
8. Special Planning District.

B. Special Planning District

1. Complete Chamber of Commerce recommendations.
2. Prepare and submit request to City.
3. Attend public meetings held by City.
4. Monitor and assist in City processing.
5. Attend public hearings held by City Council.
6. Advise Chamber of Commerce during processing.

C. Light Rail

1. Act as liaison between Chamber of Commerce and Light Rail Staff.
2. Advise Chamber of Commerce concerning progress of Light Rail.
3. Assist Chamber of Commerce in resolving problems during Light Rail start-up.
4. Assist Chamber of Commerce in planning, preparing for and implementing a major promotion to coincide with Light Rail start-up.

D. Public Improvement

1. Coordinate with Chamber of Commerce and City staff to identify needed public improvements with target area.
2. Coordinate with City staff to develop prioritization of the public improvements.
3. Assist City staff in developing methods of financing the improvements.

MARK BRIGGS & ASSOCIATES, INC.

1010 Hurley Way
Suite 300
Sacramento, California 95825
(916) 920-3461

5800 South Eastern Avenue
Suite 340
Los Angeles, CA 90040
(213) 268-6325

440 First Street N.W.
Suite 502
Washington, D.C. 20001
(202) 223-0426

E. Rehabilitation Program

1. Develop and implement a final marketing effort for the SHRA Rehabilitation Programs.
2. Contact all property owners and business owners who have not participated to date.
3. Meet with interested property owners and business owners to provide information and assist in completing applications.
4. Assist SHRA and CDC staff in processing applications and undertaking projects.

F. General

1. Attend all Chamber of Commerce Board of Directors meetings.
2. Attend all Chamber of Commerce Membership meetings.
3. Advise and assist Chamber of Commerce on public issues which may arise.
4. Advise and assist Chamber of Commerce in its own development.
5. Close-out coordinator's activities on Del Paso Boulevard.
6. Prepare final close-out report on contract and activities.
7. Undertake other activities mutually agreed to by SHRA and coordinator.

sac4-11/2486

MEADOWVIEW IMPROVEMENT COMMITTEE
1987 WORK PROGRAM

OCTOBER-DECEMBER 1986

1. Meet with Toppenberg, Replogle on close-out status of Commercial Revitalization contract. Refine our Work Program based on their information.
2. Meet with Kastanis/Robie to brief them on future of Meadowview Program. Seek their assistance in getting a SETA/PIC liaison assigned to the Program. Have liaison established by January 1, 1987.
3. Meet with Ed Elmore to discuss priorities, possibilities, and constraints. Seek his input on Work Program.
4. After elections of new MIC officers (December or so), have MIC give input on Work Program so we can start new year "running".
5. Meet with Otis Grimble and formalize his participation in Meadowview.
6. Meet with Code Enforcement regarding emphasis on enforcement in Meadowview.

JANUARY 1987

MIC meeting suggested agenda

- A. Install officers
- B. Present overview of 1987 Work Program
- C. Introduce resource people: (hopefully will have someone from SETA)
- D. Update on current projects
 - Wong property
 - Delta Shores
 - Job Development Sub-committee, etc.
- E. Expand committee memberships for the following activities:
Fundraising, Job Development, Crime Prevention, Housing, Membership, Newsletter

FEBRUARY 1987 (Code Enforcement)

- A. Invite City Code Enforcement staff to make a presentation
- B. Committee Reports
 - WorkReation
 - Economic Development
 - Newsletter
 - Housing
 - Crime Prevention
 - Membership
 - Fundraising
- C. Begin preparation of newsletter

MARCH 1987 (Housing)

- A. Meeting focus - Housing. Presentation on MCC's, bonds, rehab programs. Invite local realtors to speak on problems in marketing to new owners. Invite Home Loan Counseling Center.
- B. Report from subcommittees on progress in achieving goals.
- C. Progress report on Job Faire.
- D. Release newsletter.

APRIL 1987 (Crime Prevention)

- A. Invite Police Department to make a presentation
- B. Committee reports
- C. WorkReation report
- D. Distribute newsletter
- E. Report on Delta Shores, Wong Property

May 1987 (Job Development)

- A. Meeting focus - Job Development. Invite representatives from SETA, PIC, Jobs Corps, CCC, SLCC, Urban League, etc.
- B. Report from subcommittees on work plans: Fundraising, Job Development, Housing, etc.
- C. Discuss Job Faire
- D. Begin preparing newsletter for March distribution

June 1987 (Job Faire)

- A. Update on Wong Property, Delta Shores
- B. Committee reports:
 - Job Faire
 - Economic Development
 - Newsletter
 - Housing
 - Crime Prevention
 - Membership
 - Fundraising
- C. Assign WorkReation Planning Committee

Discussion Ideas

- Aggressive fundraising to enable hiring of a part-time staff person or graduate student and to pay for advertising to promote Meadowview (CDBG has budgeted \$4,000 to cover mail out costs).
- Market Analysis and Marketing Brochure for Wong Property. Approach Buzz Oates, developers in Delta Shores, and others to market Wong Property.
- Increase membership participation to the MIC. Assess a homeowners fee.
- General Marketing Brochure or slide show to promote Realtor/Builder interest in Meadowview.
- Set up a business/lender/realtor task force to advise the MIC and promote Meadowview.

BORROWER	FUNDING	DESCRIPTION	DIRECT LOAN AMT.
RAY G. VROOMAN	COUNTY CDBG	expansion	60000.00
MIKE PIERETTI	COUNTY CDBG	expansion	26706.00
LUMBER LOFT	COUNTY CDBG	site improvements	5000.00
GARCIA CABINET	COUNTY CDBG	expansion	7500.00
ROMANO'S PIZZA	COUNTY CDBG	leasehold improvemen	10000.00
MAURICE RAY	COUNTY CDBG	expansion	166000.00
SCHORER/WILLIS	COUNTY CDBG	construction	103740.00
RICHARDS/HOWKE	COUNTY CDBG	construction	200000.00
GEORGE CAVROS	COUNTY CDBG	rehab	37000.00
NFL PROPERTIES	COUNTY CDBG	acq./clearance	50000.00
SPUDNUTS, INC.	COUNTY CDBG	construction	71000.00
R. POST & ASSOC	COUNTY CDBG	construction	102000.00
ROBERT MARTINEZ	COUNTY CDBG	acq./rehab	40900.00
WARREN NILES	COUNTY CDBG	rehab	6800.00
GENE MISKIT	COUNTY CDBG	acq./rehab	86290.00
TOM CLEMENTS	COUNTY CDBG	leasehold improvemen	30000.00
ERNEST LEBLANC	COUNTY CDBG	expansion	36160.00

			979096.00
RICHARD FISHER	CITY CDBG	acq./rehab	30000.00
WALKER/B.O.T.	CITY CDBG	expansion	8500.00
ELGIN BRADLEY	CITY CDBG	rehab	15500.00
T.J. HEFFERNAN	CITY CDBG	acq./rehab	26550.00

			80550.00

NICK LOSENICKY	OAK PARK T.I.	acq./rehab	93000.00
MUNDO VELEZ	OAK PARK T.I.	acq./rehab	24300.00
ISAAC HUNT	OAK PARK T.I.	rehab	64600.00
RICHARD FISHER	OAK PARK T.I.	acq./rehab	132000.00
R.J. TEEPLE	OAK PARK T.I.	construction	70000.00
JOHN SAVARINO	OAK PARK T.I.	rehab	18800.00

402700.00

THE PACIFIC GROUP

API Telephone	DEL PASO T.I.	tenant improvements	18000.00
Golden St. Cel.	DEL PASO T.I.	tenant improvements	20000.00
Fiber Seal	DEL PASO T.I.	tenant improvements	15000.00
Deli King	DEL PASO T.I.	tenant improvements	27000.00
GOLDEN ST. GLAS	DEL PASO T.I.	rehab	24500.00
WM. GREEN	DEL PASO T.I.	acq./rehab	91025.00

195525.00

E. SHIGETOSHI	DOWNTOWN T.I.	rehab	200000.00
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COMMERCIAL

REHABILITATION

LOANS

CROCKER

BANK

<u>BORROWER</u>	<u>PROJECT DESCRIPTION</u>	<u>INTEREST SUBSIDY</u>	<u>AMOUNT LEVERAGED</u>	<u>SUBSIDY FUNDING SOURCE</u>
EDWARD MARASH	Restaurant rehab North Highlands	7496.28	27000.00	COUNTY CDBG
DENNIS KAWAHARA	Market rehab Courtland	6524.54	23500.00	COUNTY CDBG
COURTLAND BOARDWALK CO.	Rehab three buildings and boardwalk	7496.28 7496.28 7496.28	27000.00 27000.00 27000.00	COUNTY CDBG COUNTY CDBG COUNTY CDBG
JOHN ROLLISON PTS ELECTRIC	Electric shop rehab North Highlands	4164.60	15000.00	COUNTY CDBG
LOUIS BERGH LOU'S BURGERS	Rehab fast food shops North Highlands and Citrus Heights	6629.23	25850.00	COUNTY CDBG
MR. LOCKING RIO LINDA ELECTRONICS	Rehab electronics shop Rio Linda	175.36	1975.00	COUNTY CDBG
TRUDY SMART ACADEMY OF THE ARTS	Rehab of day care center South Sacramento	232.35	3000.00	COUNTY CDBG
GEORGE QUAN JUMBO MARKET	Rehab neighborhood cente North Highlands	24330.00	100000.00	COUNTY CDBG
HARRY FRANGE NORTH HIGHLANDS SHOPPING CENTER	Two loans for rehab of small shopping center	24330.00 7139.00	100000.00 31780.00	COUNTY CDBG COUNTY CDBG
GENE MCMILLEN RIO LINDA HARDWARE	Rehab of hardware store	1762.37	7500.00	COUNTY CDBG
TEXAS SMITH	Office building rehab Citrus Heights	15462.48	53000.00	COUNTY CDBG
A & M ENTERPRISES	Conversion of theatre to professional offices	23162.00	100000.00	COUNTY CDBG
GEORGE CAVROS	Shopping center rehab North Highlands	30875.00	100000.00	COUNTY CDBG
		174772.05	669605.00	

<u>FIRST</u>	<u>INTERSTATE</u>	<u>LOANS</u>		
DAYMON NIGHTINGALE 1030 Del Paso Blvd.	Rehab of funeral home	14511.00	46019.00	CITY CDBG
2700 STOCKTON BOULEVARD, A LIMITED PARTNERSHIP	Rehab of lodge/ warehouse	2978.34	29622.00	OAK PARK T.I.
LEGAL SERVICES OF NORTHERN CALIFORNIA 515-12th Street	Office rehab	15310.46	50000.00	ALKALI FLAT T.I.
		32799.80	125641.00	
	TOTAL INTEREST SUBSIDY CITY AND COUNTY	207571.85	795246.00	
<u>PRINCIPAL</u>	<u>REDUCTION</u>			
ROGELIO GARCIA 32&34 Main Street, Isleton	Rehab of restaurant	2000.00	33000.00	COUNTY CDBG
	TOTAL SUBSIDY TO DATE CITY AND COUNTY	209571.85	828246.00	

FACADE PROGRAM
STATUS

	DEL PASO BOULEVARD	DEL PASO HEIGHTS	DOWNTOWN	FRANKLIN	MAIN STREET, ISLETON	OAK PARK	STOCKTON	RIO LINDA	TWELFTH STREET	WALNUT GROVE	TOTAL
	1986 Total to Date	1986 Total to Date	Program Available in 1986	1986 Total to Date	1986 Total to Date	1986 Total to Date	1986 Total to Date	Program Available in 1986	1986 Total to Date	Program Available in 1986	1986 Total to Date
Number of Applicants	13 40	3 4	40	10 12	4 16	8 23	7 22	2	6 7	7	100 172
Number Approved by Finance Committee	15 32	2 3	13	1 3	5 13	9 17	4 11	Ø	4 3	2	55 97
Amount of Funds Disbursed	21,852.54 77,032.70 (22)	5,777 10,777 (3)	14,727.50 (2)	11,890.50 11,890.50 (3)	19,701.28 32,605.87 (9)	1,249.32 16,253.91	1,046.88 12,479.06 (5)	Ø	5,000 6,495.56 (2)	Ø	81,245.02 182,262.10 (51)