

June 4, 1992



Redevelopment Agency of the  
City of Sacramento  
Sacramento, California

Honorable Members in Session:

SUBJECT: REPROGRAMMING OF DOWNTOWN FUNDING  
PREVIOUSLY ALLOCATED TO THE DOCKS PUBLIC  
IMPROVEMENTS AND GARAGE PROJECT

LOCATION AND COUNCIL DISTRICT:

Merged Downtown Sacramento Redevelopment Area, Council District 1



SUMMARY

This report presents staff's recommendation on the reallocation of \$5.4 million funding from the Docks project and an additional \$850,000 from unencumbered Old Sacramento projects. Total funding reallocated is \$6.25 million. All of the funding allocations recommended (except for the one to the Old Sacramento Management Board) are for the purposes of budgeting only. Each project or program will be brought back in greater detail for your consideration.

COMMISSION ACTION

At its meeting of April 15, 1992, the Sacramento Housing and Redevelopment Commission adopted a motion recommending adoption of the staff recommendation and transferring \$75,000 from the Downtown Shuttle program to the Crocker Art Museum. Votes were as follows:

P.O. Box 1834

S a c r a m e n t o

CA 95812-1834

916-444-9210

- AYES: Amundson, Cespedes, Diepenbrock, Inglis, Moose, Williams, Wooley, Yew, Simon
- NOES: None
- ABSENT: Pernell, Simpson

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The Commission did not approve the \$400,000 allocation for the historic preservation of Mory's Place. The Commission requested a report back on Mory's Place and directed staff to prepare funding alternatives. Votes on this motion were as follows:

AYES: Amundson, Cespedes, Diepenbrock, Wooley, Yew

NOES: Inglis, Moose, Williams, Simon

ABSENT: Pernell, Simpson

At its meeting of May 6, 1992, the Sacramento Housing and Redevelopment Commission adopted a motion recommending that the \$400,000 funding recommended by staff for allocation to Mory's Place be allocated as follows: an additional \$180,000 funding would be provided for the Old Sacramento Management Board (see Attachment IX, pages 26-27) (totalling \$290,000 funding), an additional \$75,000 would be applied to the Crocker Art Museum's HVAC replacement (totalling \$150,000), the Sister Cities complex/Master Lease project would be augmented by \$100,000 (totalling \$170,000), and the remaining \$45,000 would be reallocated to opportunity site development (augmented project total would be \$645,000). Votes were as follows:

AYES: Amundson, Diepenbrock, Inglis, Simon, Wooley, Yew

NOES: Moose

ABSENT: Cespedes, Simpson, Williams

## STAFF RECOMMENDATION

Staff recommends that the Agency adopt the attached resolution which: 1) confirms termination of the Riverview/Embassy Joint Venture Predevelopment Agreement; 2) amends the 1992 budget to reflect the reallocation of funding from the Docks Public Improvements and Garage project, as well as the Old Sacramento Construction Project and the Waterfront/Public Improvement project to projects in the Merged Downtown Sacramento Redevelopment Area, including Old Sacramento, the Docks and the Central Business District and an allocation for preservation of Mory's Place (as outlined in Exhibit A to the resolution); 3) authorizes the Executive Director to execute an agreement with the Old Sacramento Management Board (OSMB) for the purpose of funding OSMB projects to improve the commercial and aesthetic environment in Old Sacramento; and 4) authorizes the Executive Director to exchange \$3,265,000 in reprogrammable taxable funding, with \$3,265,000 tax-exempt 1990 TABs funding currently appropriated for housing development projects and contingency funds.

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## BACKGROUND

On July 23, 1991, the Redevelopment Agency of the City of Sacramento (Agency) adopted Resolution #91-062, which authorized the Executive Director to notice termination of the Riverview/Embassy Joint Venture Predevelopment Agreement. The attached resolution further confirms that all agreements and understandings pertaining to the development of the Docks Hotel and Parking Garage project are now terminated. This action provides an opportunity to reallocate \$5.4 million of funding previously allocated for this project to other unfunded Downtown projects.

Recommendations for disposition of the Docks parcel will be provided in a separate staff report. Staff remains convinced that the site is a premier hotel development site and will most likely recommend a reissuance of Requests for Proposals at a later date when market conditions are more favorable.

In addition to the \$5.4 million available from the Docks project, approximately \$850,000 remains unexpended or unencumbered from various accounts in the Old Sacramento/Docks project area. This report combines the available resources from the Docks Hotel Project (Embassy Suites) and Old Sacramento/Docks accounts for a total of approximately \$6.25 million and recommends these funds be reprogrammed to fund 16 unfunded projects throughout the Merged Downtown Sacramento Redevelopment Area.

The 16 projects represent key activities that complement and enhance specific revitalization strategies currently underway in Downtown, including: streetscape improvements; mixed-use projects that may combine office with housing and/or cultural/entertainment facilities; opportunity sites development; a Downtown shuttle; Old Sacramento waterfront enhancements; Crocker Art Museum HVAC replacement; implementation of the Historic Preservation Strategy; and commercial retail revitalization programs targeted to priority blocks on J and K streets. Attachments I, II,

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and III identify the recommended projects, funding allocation and their respective locations. Attachment IV provides a brief description of each project. Attachment V provides a list of other eligible projects in the Downtown area which merit funding consideration. Due to limited resources, however, funding consideration for these projects is proposed to be deferred until the next bond issue, projected to be in 1996 or 1997. Attachment IX is copies of miscellaneous correspondence received on this issue.

This item was heard by the Sacramento Housing and Redevelopment Commission in a workshop on March 11, 1992. Agency staff presented the item and the Commission received public testimony. The Sacramento Housing and Redevelopment Commission took initial action on this item on April 15, 1992 and heard a report back on the item on May 6, 1992.

## FINANCIAL CONSIDERATIONS

This report concerns redistribution of 1989 COPs (\$4.0 million), 1990 TABs (\$1.8 million) and downtown tax increment funds from the Docks Hotel project, Old Sacramento Construction and the Docks/Waterfront Improvement projects (\$450,000) to Merged Downtown Sacramento Redevelopment Area capital improvement projects as shown on Attachment I.

Additionally, the \$6.25 million available for reprogramming is comprised of taxable and tax-exempt proceeds from the 1990 TABs and 1989 COPs, as well as Downtown tax increment funds. The breakout of these funds is below:

1900 TABs, tax-exempt	\$	400,000
1990 TABs, taxable		1,400,000
1989 COPs, taxable		4,000,000
Downtown tax increment		<u>450,000</u>
Total	\$	6,250,000

Federal tax regulations place restrictions on the use of tax-exempt funds for housing development projects that are primarily initiated by the private sector. One restriction is that tax-exempt funds cannot be loaned to private developers. Another is that tax-exempt funds used to acquire property cannot be recovered if the property is sold to a private developer; rather, costs must be "written down" at the time of disposition.

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Taxable funds carry no such restrictions and it is apparent that tax-exempt funds should be used for capital projects initiated by the public sector while taxable funds should be used to leverage projects in the private sector.

Some of the housing development projects approved in the 1992 Agency budget are currently funded by tax-exempt 1990 TAB proceeds. In order to remove the types of restrictions highlighted above, staff is recommending that an exchange of taxable and tax-exempt funding between previously approved capital projects in the Merged Downtown Redevelopment Area be initiated.

The exchange of taxable and tax-exempt funding will neither interfere with the mix of Downtown projects described in this report nor place restrictions on their implementation. In addition, the exchange will not modify the appropriation levels of any previously approved housing development projects in the budget.

Therefore, the attached resolution authorizes the Executive Director to reappropriate \$6.25 million in funding previously appropriated for the Docks Public Improvements and Garage Projects; exchange \$3,265,000 in reprogrammable taxable funding with \$3,265,000 tax-exempt 1990 TABs funding currently appropriated for housing development projects and contingency funding; and amend the Agency budget accordingly to accomplish these actions.

## POLICY CONSIDERATIONS

The termination of the predevelopment agreement between the Agency and the Riverview/Embassy Joint Venture is consistent with Resolution No. 91-062.

The reprogramming of downtown tax increment funds for Downtown projects is consistent with the previously authorized capital expenditures plan; the 1991 Agency goals and objectives; the Merged Downtown Sacramento Redevelopment Plan; the Downtown Cultural and Entertainment District Master Plan; and the Downtown Urban Design Plan. It is necessary to allocate funds in sufficient amounts to implement the Agency's objectives in Downtown.

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Staff is recommending that these funds be spent to enhance the aesthetic, cultural, historical, and retail aspects of the Merged Downtown Sacramento Redevelopment Plan to support previous or ongoing Agency revitalization activities and to create an environment which will attract new development and rehabilitation activities. This is consistent with the original use of the funds for commercial-oriented activities. We are well aware of many other potential objectives for use of these funds. In this instance, however, we believe it important to continue to enhance the physical and aesthetic environment so that Downtown can continue to grow. We believe that in these recessionary times, it is very important to continue these kinds of improvements so that tax increments can continue to be generated for housing and other social services.

No new funding is being directly recommended for affordable housing, although several of the projects assisted could include housing. As you may recall, at the time the 1989 COPs proceeds were allocated, 29% of the bond proceeds were distributed to affordable housing projects. As Attachment VI shows, \$4.0 million of the \$13.9 million total 1989 COPs bond issue were allocated to low/moderate income housing projects. In 1990, a greater share of tax allocation bond (TAB) proceeds, 42%, or approximately \$15 million of the \$36 million bond, was allocated to low/moderate housing projects (see Attachment VII). Finally, Attachment VIII showing the relationship of the 20% housing set-asides, housing expenditures for low-moderate income housing against the downtown tax increment revenue stream from 1985 to present. Cumulatively 27.8% of Downtown tax increment funds have been expended for low to moderate income housing, while 1991 figures show approximately 47% of tax increment is being expended for low/moderate housing. These expenditures represent direct progress toward the Agency's intermediate range goal to allocate 50% of downtown tax increments to housing.

## ENVIRONMENTAL REVIEW

All proposed actions are in furtherance of the Merged Downtown Sacramento Redevelopment Plan and were deemed approved at the time of plan adoption per CEQA Guidelines Section 15180. No subsequent or supplemental environmental impact reports are required for the proposed actions, which would be exempt under Guidelines Section 15311; thus no further environmental documentation is required.

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MINORITY/WOMEN BUSINESS ENTERPRISE (M/WBE) CONSIDERATIONS

The Agency's M/WBE policy will apply to any future contracts discussed in this report, specifically those listed on Attachment I.

Respectfully submitted by,

*for Nadine Connors*  
JOHN E. MOLLOY  
Executive Director

TRANSMITTAL APPROVED BY:

For Council Meeting of:

*Walter J. Slupe*

May 26, 1992

WALTER J. SLIPE

City Manager

Contact Person: Bina Lefkowitz, Director, Community Development, 440-1357

*staffrpt\ \$6mil*

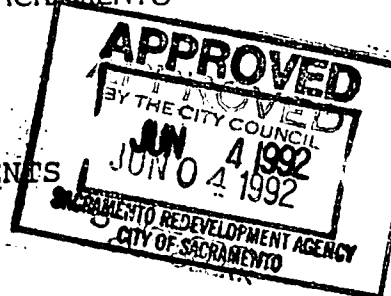
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# RESOLUTION NO. 92-~~0110~~

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF \_\_\_\_\_

REALLOCATION OF DOCKS PUBLIC IMPROVEMENTS  
AND GARAGE FUNDS



BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO:

Section 1: The termination of the Docks Hotel Project is approved, and the 1991 Agency budget is amended to reallocate funding, made available by such termination, from the Docks Public Improvements and Garage Project, the Old Sacramento Construction Project and the Waterfront/Public Improvement Project to projects in the Merged Downtown Sacramento Redevelopment Area, including Old Sacramento, the Docks and the Central Business District, as set out in Exhibit A to this Resolution and below.

Section 2: The Executive Director or his designee is authorized to execute an agreement with the Old Sacramento Management Board (OSMB) for the purpose of funding OSMB projects approved by the Agency staff to improve the commercial and aesthetic environment in Old Sacramento. The maximum compensation under this agreement shall not exceed \$110,000.

Section 3: The Executive Director or his designee is authorized to re-allocate \$ 3,265,000 in reprogrammable taxable funding which shall be replaced with \$ 3,265,000 tax-exempt 1990 TABs funding currently appropriated for housing development projects and contingency funding.

\_\_\_\_\_  
CHAIR

ATTEST:

\_\_\_\_\_  
SECRETARY

U:\Share\Reso\Realloc.\$

FOR CITY CLERK USE ONLY

RESOLUTION NO.: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_





J. Old Sacramento Mini-parks	\$ 100,000
K. Docks Area Promenade and Tower Bridge Undercrossing	\$ 1,100,000
L. Temporary Boardwalk - 8th and J Streets	\$ 80,000
3. <u>Cultural Amenities</u>	
M. Housing &/or Cultural and Entertainment Facility subsidy in the Downtown District	\$ 650,000
N. Allocation for the Replacement of Crocker Art Museum HVAC (Harrold Wing)	\$ 75,000
4. <u>Historical Preservation</u>	
O. Historic Preservation Strategy Implementation	\$ 400,000
P. Historic Preservation of Mory's Place	<u>\$ 400,000</u>
	<i>total</i>
	<b>\$ 6,250,000</b>

STAFF RECOMMENDATION  
REALLOCATED FUNDING

## I. Funding Sources

A. Downtown Tax Increment	
Old Sacramento Construction Capital Improvements	\$ 450,000
B. 1990 Tax Allocation Bond (TAB)	
Docks/Waterfront Improvements ( <i>Old Sacramento CIP</i> )	\$ 400,000
Docks Public Improvements ( <i>Docks Hotel</i> )	<u>\$ 1,400,000</u>
	<i>subtotal</i>
	\$ 1,800,000
C. 1989 Certificates of Participation (COP)	
Docks Public Improvements ( <i>Docks Hotel</i> )	<u>\$ 4,000,000</u>
	<i>total</i>
	\$ 6,250,000

## II. Recommended Project Allocation

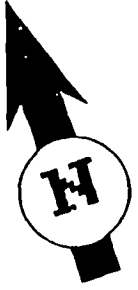
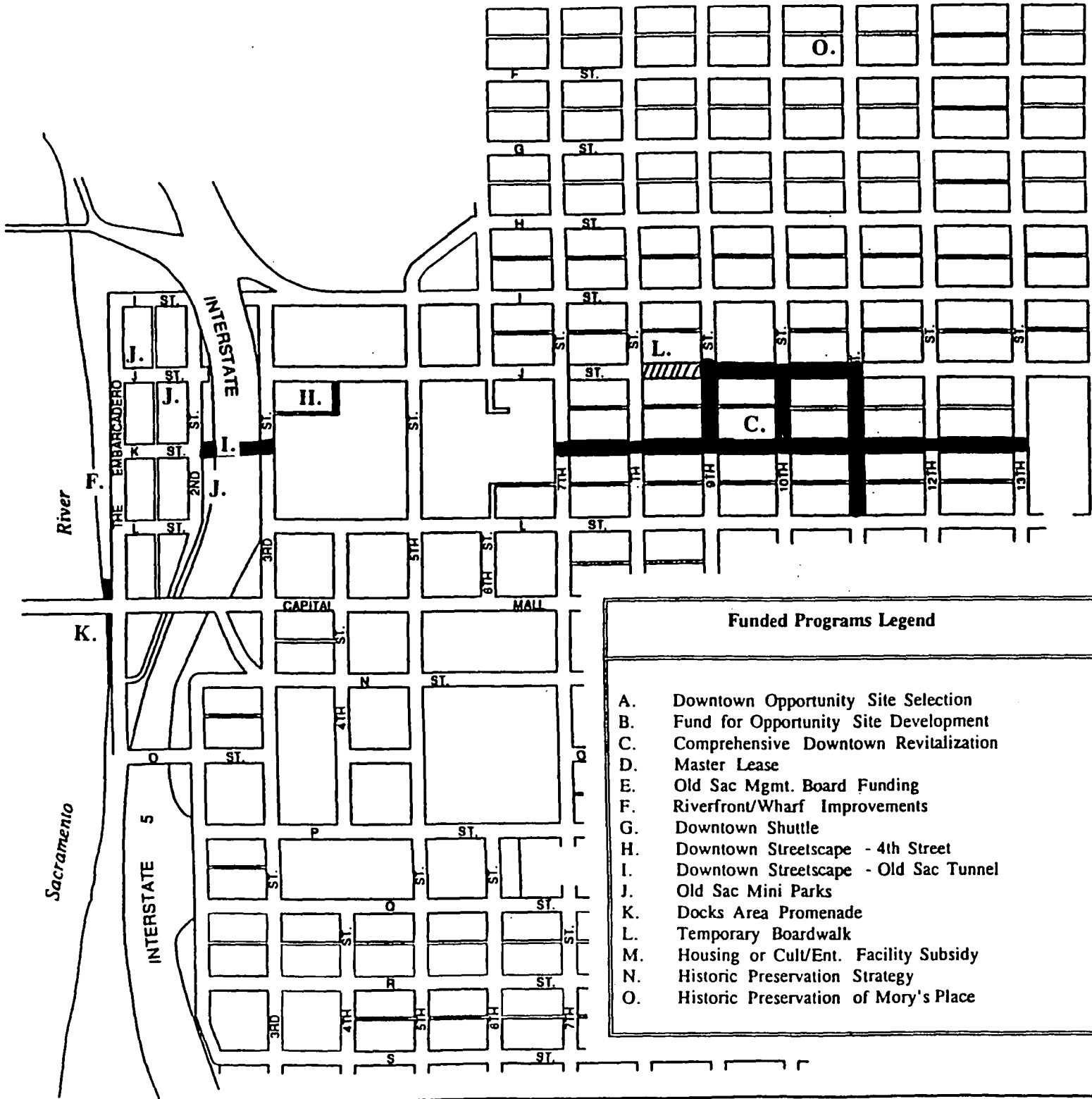
1. Redevelopment Advancement

A. Downtown Opportunity Site Developer Selection	\$ 70,000
B. Fund for Opportunity Site Development	\$ 600,000
C. Comprehensive Downtown Revitalization Strategy and Demonstration Program	\$ 385,000
D. Master Lease Program (Sister Cities Project)	\$ 70,000
E. Old Sacramento Management Board Funding	\$ 110,000
F. Riverfront and Wharf Improvements	\$ 400,000

2. Public Amenities

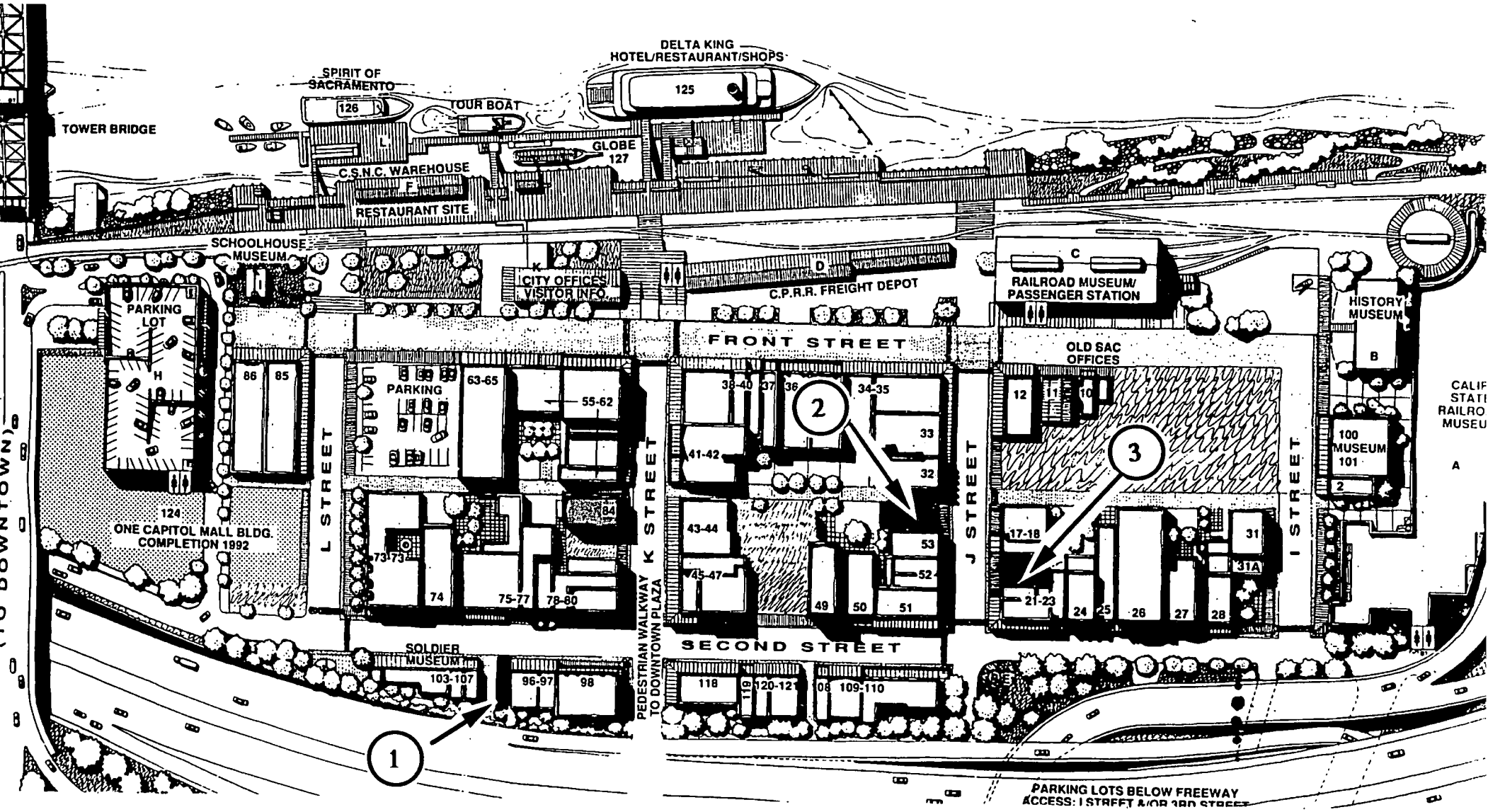
G. Downtown Shuttle Program Start-up Costs	\$ 925,000
H. Downtown Streetscape Improvements - 4th Street Promenade between J & K Streets	\$ 400,000
I. Downtown Streetscape Improvements - Old Sacramento Tunnel under I-5 freeway	\$ 485,000

J. Old Sacramento Mini-parks	\$ 100,000
K. Docks Area Promenade and Tower Bridge Undercrossing	\$ 1,100,000
L. Temporary Boardwalk - 8th and J Streets	\$ 80,000
3. <u>Cultural Amenities</u>	
M. Housing &/or Cultural and Entertainment Facility subsidy in the Downtown District	\$ 650,000
N. Allocation for the Replacement of Crocker Art Museum HVAC (Harrold Wing)	\$ 75,000
4. <u>Historical Preservation</u>	
O. Historic Preservation Strategy Implementation	\$ 400,000
P. Historic Preservation of Mory's Place	<u>\$ 400,000</u>
<i>total</i>	<b>\$ 6,250,000</b>



Funded Programs Legend		Non specific site (not listed on map)
A.	Downtown Opportunity Site Selection	x
B.	Fund for Opportunity Site Development	x
C.	Comprehensive Downtown Revitalization	
D.	Master Lease	x
E.	Old Sac Mgmt. Board Funding	x
F.	Riverfront/Wharf Improvements	
G.	Downtown Shuttle	x
H.	Downtown Streetscape - 4th Street	
I.	Downtown Streetscape - Old Sac Tunnel	
J.	Old Sac Mini Parks	
K.	Docks Area Promenade	
L.	Temporary Boardwalk	
M.	Housing or Cult/Ent. Facility Subsidy	x
N.	Historic Preservation Strategy	various
O.	Historic Preservation of Mory's Place	

# OLD SACRAMENTO MINI PARK LOCATIONS



(TO DOWNTOWN)

PARKING LOTS BELOW FREEWAY  
ACCESS: I STREET &/OR 1RD STREET

CALIF  
STATI  
RAILRO  
MUSEUM

A

RECOMMENDED  
PROJECT DESCRIPTIONS AND BUDGET ALLOCATIONS

- A. Downtown Opportunity Site Developer Selection \$ 70,000  
Costs associated with the actions necessary to offer a site for development, i.e., appraisals, proposal solicitation and evaluation.
- B. Fund for Opportunity Site Development \$ 600,000  
Funds to facilitate development of opportunity sites. This allocation of funds could be used for pre-development activities, subsidies to promote mixed-use projects, or for acquisition costs. The recent experience of a low response rate on the Metropolitan Place RFP indicates that in the current development climate some inducements may be required to stimulate the preferred type of development on the targeted opportunity sites. Primarily, these will be mixed-use sites combining retail with office or housing.
- C. Comprehensive Downtown Revitalization Strategy and Demonstration Program \$ 385,000  
Our redevelopment strategy has been successful in encouraging private office development as evidenced by the Wells Fargo Building, One Capitol Mall, Plaza Park Tower, the Renaissance Tower, and 1201 K Street building. However, the quality and maintenance of public facilities (signage, public improvements, and streetscape) has declined in the established areas of Downtown. To partly address this concern and visually exhibit what can be done in this area, staff is proposing a demonstration program. This demonstration program will be comprehensive and include retail recruitment, maintenance improvements, aesthetic improvements and capital equipment purchases targeting the economic and retail revitalization in the J Street area (9th to 11th streets) and on the K Street Mall from 7th to 13th streets. Funds will primarily be used for capital expenditures, commercial loans, and facade grants. The entire project is detailed in a companion report to be heard by the Sacramento Housing and Redevelopment Commission on April 15, 1992.
- D. Master Lease Program \$ 70,000  
Under this program the Agency intends to rent a to-be-identified retail space on the K Street Mall. This funding would be used for rental and tenant improvements of an existing retail building for retail incubator space for the Sister Cities Project. The Sister Cities Project is an innovative new program that combines a retail incubator space with the opportunity to import/export products between the official sister cities of Sacramento.

E. Old Sacramento Management Board Funding \$ 110,000

Funding to supplement the Old Sacramento Management Board to provide sign enforcement, marketing materials and a facade enhancement program within Old Sacramento.

F. Riverfront and Wharf Improvements \$ 400,000

As part of our interest in revitalizing and bringing life to the waterfront, funding for improvements is recommended. The City is preparing a report that will identify the long-term retail/commercial use of the currently vacant waterfront warehouse and will provide further definition of necessary improvements on the riverfront and wharf area. The report will also address a plan for overall programming activities to complement and enhance the use of physical improvements made in the area. A portion of this funding will provide for utility hookups, air-conditioning/heating, plumbing and electrical systems to accept an interim tenant for the riverfront warehouse building. The remainder of funding will be available for anticipated improvements addressed in the City's forthcoming report.

G. Downtown Shuttle Program Start-up Costs \$ 925,000

As you recall, the Commission and Council previously approved a route plan for a proposed shuttle system to link employment centers, retail areas, and other important destination points in Downtown Sacramento. The funding proposed would contribute to initial capital costs associated with the purchase of shuttle vehicles, shelters, street furniture, signage, etc., in accordance with the Downtown Shuttle Study. This initial funding would provide a reserve with which other participating agency funds could be leveraged. Shuttle vehicles are estimated to cost \$150,000. The consultant recommends eight vehicles to travel along the preferred route to achieve 7.5 minute headways. However, six could provide similar service on an initial, smaller circuit. This funding would provide six vehicles plus a minimal amount of related streetscape improvement costs. A full report on the proposed financing of the operations of the shuttle is forthcoming in June. No expenditures will occur from these funds until that issue is decided.

H. Downtown Streetscape Improvements - 4th Street Promenade \$ 400,000

This item provides funding for construction of improvements to 4th Street between J and K adjacent to Lot U. Estimate includes landscape, hardscape, lighting, signage, and street furnishing necessary to complete the streetscape design next to the Downtown Plaza. We feel this streetscape improvement is of very high priority because of the proximity to the Downtown Plaza improvements. Reimbursement of the Agency for these costs will be required if and when the DDA for Parcel D1B of Downtown Plaza is negotiated.

I. Downtown Streetscape Improvements - Old Sacramento Tunnel \$ 485,000

Budget to provide improvements to the interior tunnel lighting as well as tunnel entries from both the Old Sacramento and Downtown District ends of the tunnel. Improvements include lighting, signage, installation of stairways, railings, and modest architectural screening of the freeway to improve the aesthetics of the pedestrian tunnel. Full interior remodel (including re-paving and interior renovation) is not recommended at this time due to project priorities. The interior portion is estimated at an additional \$750,000.



J. Old Sacramento Mini-parks \$ 100,000

Landscape construction costs for development of three temporary mini-parks in Old Sacramento on Agency-owned parcels as an interim use until the market is conducive for actual redevelopment. See Attachment III for the locations of these three parks.

K. Docks Area Promenade and Tower Bridge Undercrossing \$1,100,000

As part of our interest in bringing life to the waterfront and increasing the usage of public and private investments in the area, we recommend extending the pedestrian promenade from Capitol Mall to Neasham Circle adjacent to the Docks Hotel site. This funding will also provide the pedestrian undercrossing structure (to be constructed on the riverbank at river elevation) that will connect Old Sacramento to the Docks Waterfront. This investment should help to open up the waterfront. The potential also exists for more detailed planning and design of the area between Capitol Mall and O Street.

L. Temporary Boardwalk - 8th and J Streets \$ 80,000

Redevelopment of the J Street area from 8th to 9th streets will take time as we reissue the RFP for the 9th/J Street corner and are wrapping up negotiations on the 8th/J streets site. However, as part of our effort to support the revitalization activities in progress or completed around Plaza Park, we recommend construction of a temporary boardwalk on J Street between 8th and 9th streets. This will provide a construction fence with a graphic or mural, durable boardwalk, and traffic barricade. This should help secure and improve the visual appearance from the street of this very blighted block. Staff will require reimbursement for these costs through negotiations with property owners or the RFQ or Owner Participation Agreement process.

M. Housing and/or Cultural/Entertainment Facility  
subsidy in the Downtown District \$ 650,000

Funding to be used as a subsidy to establish a cultural/entertainment facility (e.g., construction subsidy or funds for design work as a part of a mixed-use project or acquisition/rehabilitation of an existing theater) or housing component in a mixed-use project.

N. Allocation for the Replacement of Crocker Art Museum  
HVAC (Harrold Wing) \$ 75,000

The Harrold Wing is a three-story annex of the Crocker Art Museum which houses the Special Collection Exhibit and the vault which stores works not on display. The HVAC unit for this wing is aged and in need of replacement. The replacement cost for this unit is \$275,000. The Crocker Art Museum needs an additional \$147,000 for the HVAC. This allocation will provide partial funding toward this project.

O. Historic Preservation Strategy Implementation \$ 400,000

This is a program which utilizes commercial rehabilitation loans and facade grants to preserve the buildings identified on the Agency's Historic Preservation Strategy. This project will provide funding for approximately 13 historic buildings of a total of 25 buildings recommended for improvements.

P. Historic Preservation of Mory's Place

\$ 400,000

Funds to assist in the relocation and rehabilitation of a historic victorian residence for use as a youth hostel. A youth hostel provides low-cost overnight accommodations and educational opportunities for people of all ages. Hostels provide occasion for cooperative living and intercultural exchange through the design of shared sleeping accommodations, kitchen, dining rooms, and common areas. In addition, the Sacramento hostel will also allow AYH, a non-profit public service organization, to provide educational and recreational programming for both its guests and the local community. AYH also provides Elderhostel, a program for senior citizens, and Hostel Adventure, a program for economically disadvantaged youth. The Youth Hostel expects to serve over 7,000 people per year, based on the experience of other AYH hostels. The Sacramento Hostel will attract guests from California, the United States, and around the world. Based on the experience of other hostels in Northern California, it is believed that the Sacramento Hostel will bring many international hostellers who are travelling around the United States, school groups from all over California, individuals and families, non-profit groups, students and senior citizens, all of whom will enjoy visiting the historic and cultural attractions in Sacramento, as well as providing additional patrons to frequent the K Street Mall, Downtown Plaza, and Old Sacramento retail and eating establishment. It is anticipated that the building will be used year round.

The current estimated cost of the project is \$1,859,840 to move and renovate Mory's Place. AYH has identified approximately \$1.6 million in possible funding: \$400,000 approved bank loan, \$700,000 from SHRA (\$300,000 recommended from Alkali Flat tax increment funds, and \$400,000 recommended from Downtown tax increment funds reprogrammed from the Docks project), \$100,000 from Sacramento County, and \$400,000 from other AYH sources, including anticipated fund raising. This leaves approximately \$259,840 in funding necessary to complete the project. Review of cost estimates for possible savings is underway to identify any opportunities to reduce the cost estimate down to the amount of the available budget.

OTHER ELIGIBLE PROJECTS  
NOT PROPOSED FOR FUNDING

Projects to be considered in the next (1996/97) TAB

Docks Area Promenade \$ 1,070,000

This project provides for extension of the pedestrian promenade from Neasham Circle to O Street and includes the design and construction of a grand plaza at the terminus of the promenade. The project consists of several segments listed below with their associated costs to complete the Docks promenade:

Left turn pocket at Capitol Mall	\$ 70,000
Promenade upgrade, Neasham Circle to O Street, and	\$ 700,000
O Street Plaza and Crocker Museum connector	\$ 300,000

Service Courts in Old Sacramento \$ 265,000

The development plan for Old Sacramento includes the construction of common court areas that would contain a structure for a trash compactor, recycling area, and rendering container. Currently staff is pursuing design and construction of these facilities through the formation of a property owner assessment district. If this approach is adopted, the Agency would be required to participate for the amount assessed to the five undeveloped parcels the Agency owns in Old Sacramento. The costs associated with participation for the five Agency-owned parcels is estimated at approximately \$265,000. If an assessment district is not formed and the Agency proceeds with construction of the service courts, construction cost could go as high as \$1 million.

Downtown Streetscape Implementation \$10,074,000

The streetscape study identifies 14 zones of improvements surrounding Downtown Plaza. Cost estimates for sidewalk and street paving, lighting, graphics and signage, and landscaping and street furnishings have been prepared for each of the zones, and appear below.

Old Sacramento Tunnel - interior portion	\$ 750,000
Indo Park	\$ 1,014,000
China Place <sup>1</sup>	\$ 826,000
Macy's Alley	\$ 302,000
J Street	\$ 1,991,000
L Street (4th to 7th)	\$ 1,997,000
Third Street (east side)	\$ 203,000
Fourth Street	\$ 464,000
Fifth Street	\$ 425,000
Sixth Street	\$ 358,000
Seventh Street (L Street to Capitol Mall)	\$ 286,000
Seventh Street (K Street to L Street)	\$ 1,125,000
Merchant's Alley	<u>\$ 333,000</u>
total	\$10,074,000

<sup>1</sup>This estimate provides for an at-grade crossing and improvements. A cost estimate for a suspended "catwalk" has not been prepared, however it would be considerably more expensive.

St. Rose of Lima Park Design

costs unknown

The City Parks Department is undertaking a revised park design for St. Rose of Lima Park. The ultimate park design has not been determined, and, therefore, costs estimates are not available.

Plaza Park Master Plan

costs unknown

The City Parks Department is undertaking a citizens outreach program to provide input to the master planning effort for Plaza Park. Park design has not been determined; cost estimates are not available.

Downtown Shuttle System

costs unknown

Funding for ongoing capital requirements and operating costs are presently being developed by the Shuttle Consultant.

Historic Preservation Strategy Implementation

\$ 290,000

The preservation study consultant has identified 25 historic buildings requiring remedial maintenance work or improvement. Initial funding recommended in this report will accomplish refurbishment work on approximately 13 of these buildings. The remaining 14 are estimated to require another \$ 290,000 for repairs/maintenance.

Esquire Theater Acquisition and Rehabilitation

\$10,000,000

Developer estimate for the acquisition and renovation of the Esquire theater to a small performance theater.

Restoration of Crest Theater (interior)

cost unknown

Public Market Acquisition and Restoration  
into Retail/Cultural Facility

cost unknown

Performing Arts

\$1,500,000

Funding to assist various cultural/entertainment groups in obtaining adequate facilities or operation space.

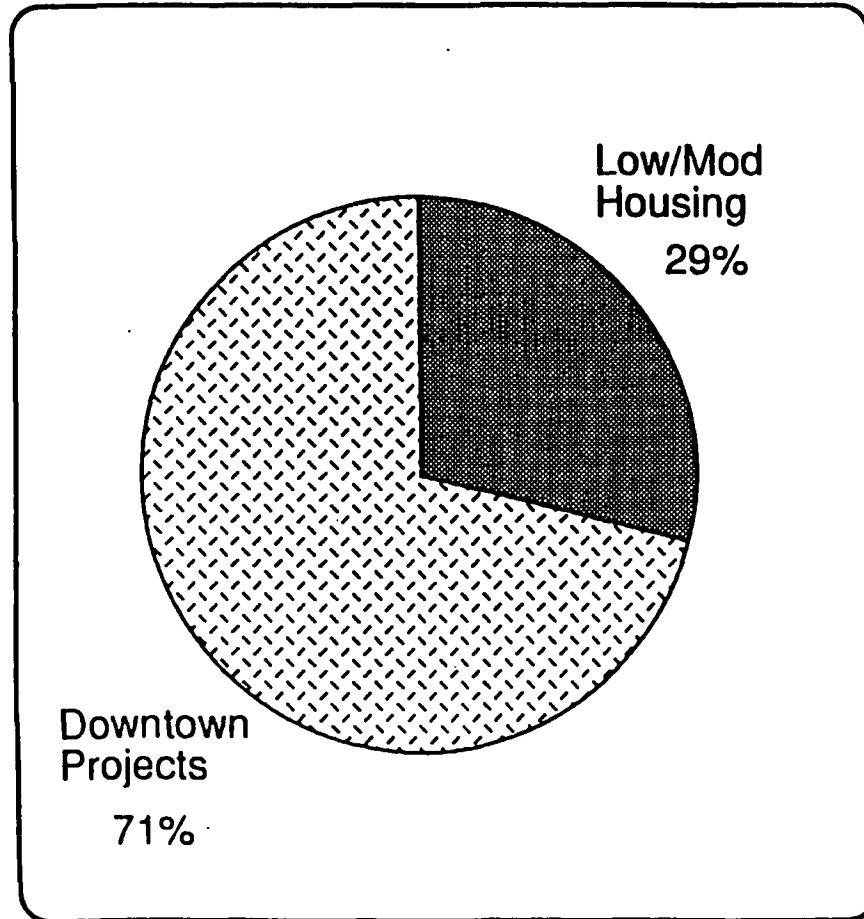
The Ferry Boat San Diego

\$ 334,000

To moor the ferry boat San Diego in the Sacramento waterfront area will require the purchase and modification of a barge to provide utility service to this restaurant attraction.

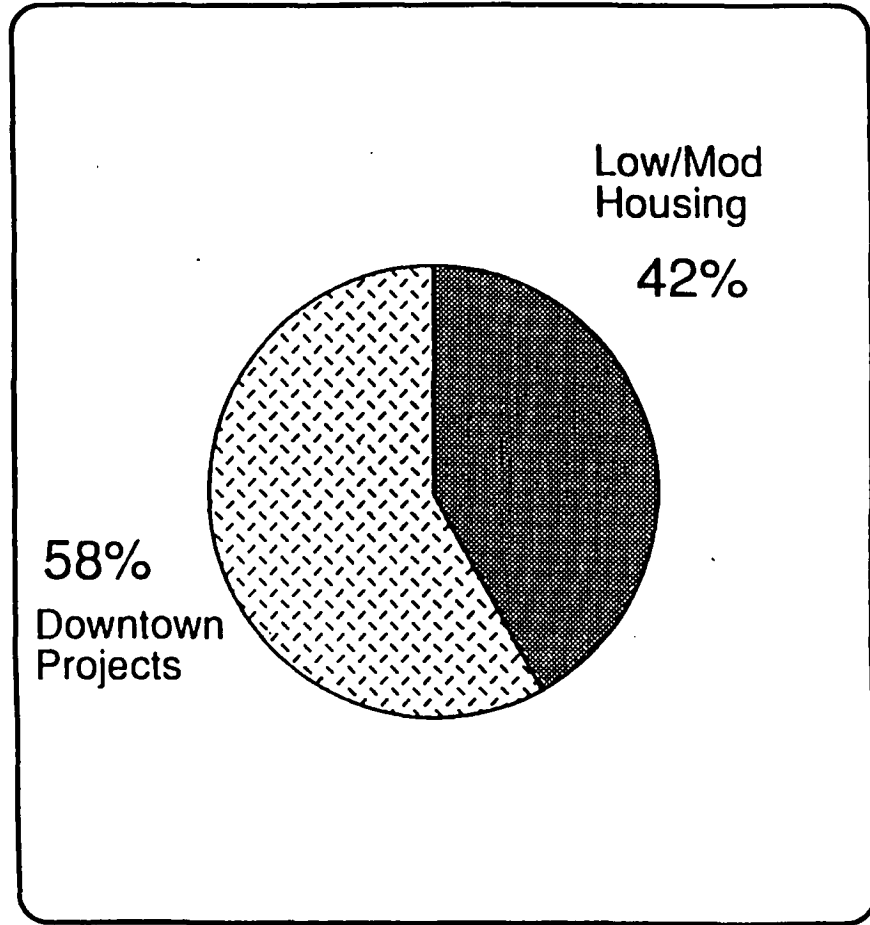
# 1989 COPs Proceeds

Projects	Funding Allocation	% of COP
Low/Mod Housing	\$ 4,000,000	29%
Downtown	\$ 9,862,000	71%
Total	\$ 13,862,000	100%

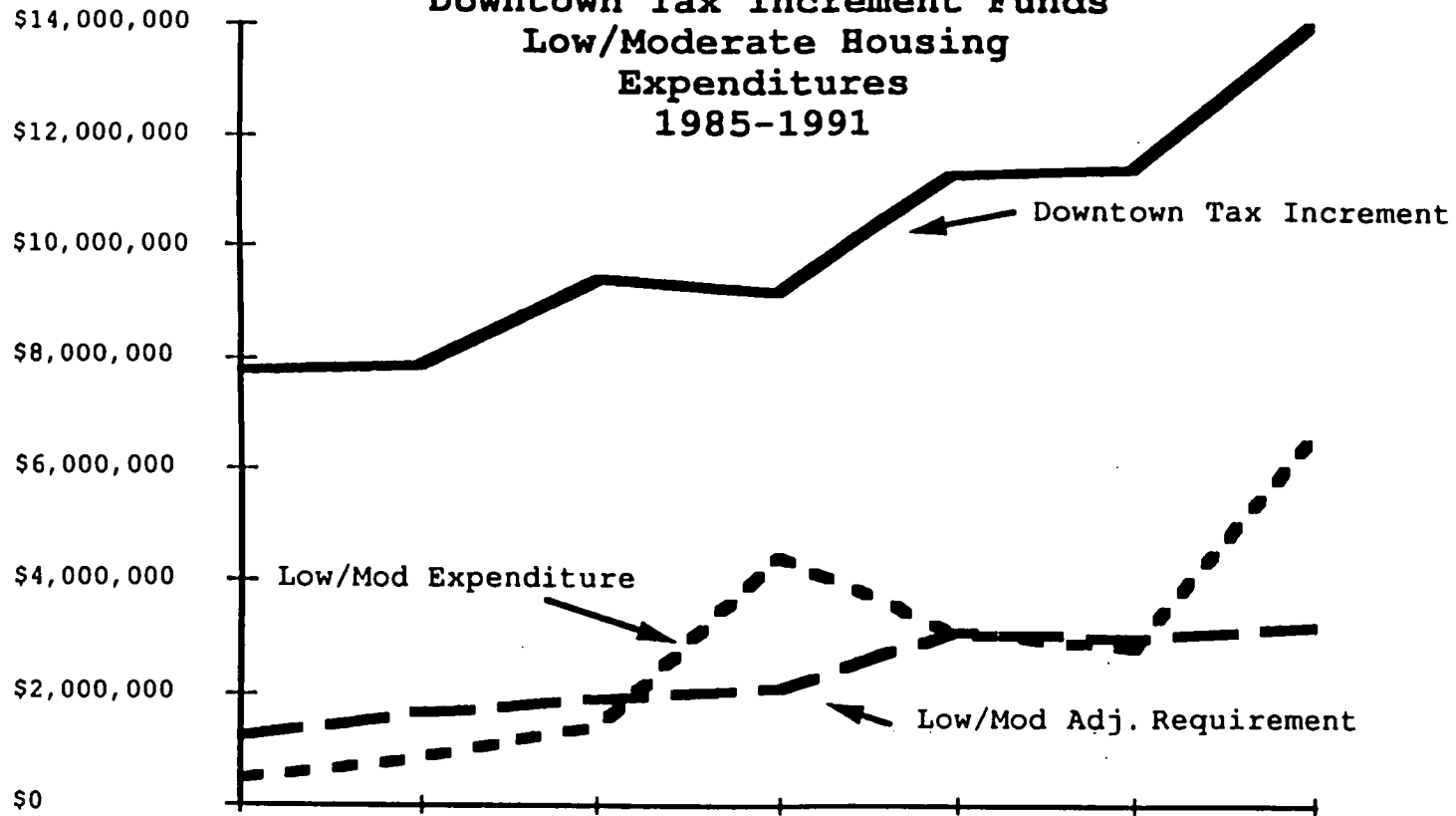


# 1990 TABS Proceeds

Projects	Funding Allocation	% of TAB
Low/Mod Housing	\$ 15,108,097	42%
Downtown	\$ 20,891,903	58%
Total	\$ 36,000,000	100%



**Downtown Tax Increment Funds  
Low/Moderate Housing  
Expenditures  
1985-1991**



	1985	1986	1987	1988	1989	1990	1991	Cumulative
Downtown Tax Increment	\$7,703,000	\$7,808,500	\$9,392,570	\$9,152,547	\$11,223,825	\$11,313,512	\$13,898,389	\$ 70,492,343
Low/Mod Adj. Requirement	\$1,210,040	\$1,644,400	\$1,905,460	\$2,091,305	\$3,100,553	\$2,995,492	\$3,161,212	\$ 16,108,462
% Requirement to Tax Increment	15.7%	21.0%	20.3%	22.8%	27.6%	26.5%	22.7%	22.8%
Low/Mod Expenditure	\$486,417	\$843,103	\$1,395,031	\$4,426,097	\$3,098,372	\$2,772,316	\$6,560,483	\$ 19,581,819
% to Tax Increment	6.3%	10.8%	14.9%	48.4%	27.6%	24.5%	47.2%	27.8%
Meets Low/Mod set aside requirement (including past deficiency)	No	No	No	Yes	No	No	Yes	Yes



**OLD  
SACRAMENTO**

Management Board  
917 Front Street  
Old Sacramento, CA 95814  
(916) 443-0877  
Fax (916) 443-0887

March 2, 1992

John Molloy  
Executive Director  
Sacramento Housing and Redevelopment Agency  
630 "I" Street  
Sacramento, CA 95814

Subject: Old Sacramento List of Project Needs

Dear John:

It is our understanding that Redevelopment funds which were allocated to the development of the hotel and the adjacent "docks" project on the south side of Capitol Mall at Front Street are now being considered for other projects. Since these funds were originally allocated to projects that would complete and enhance the waterfront area, the Old Sacramento Management Board feels that some, if not all of these funds, be used for high priority projects in and adjacent to Old Sacramento. The attached list of projects has no current funding source. This list totals an estimated cost of \$7,090,000.

A representative of the Old Sacramento Management Board will formally present this request at the SHRA Commission workshop scheduled for March 11th.

Very truly yours,

Dick Troy  
President, OSMB



**PROJECT**

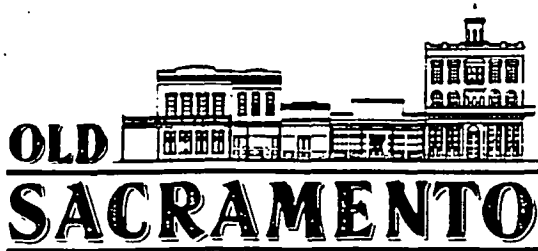
**ESTIMATED COST**

1. **"K" Street Pedestrian Underpass Improvements** **\$1,000,000**  
This may be the most important unfunded project and should be completed and available when the DPP is completed. As a minimum, this project should involve: security lighting; signage; cleanliness/anti-graffiti and other items that will make this pedestrian connector useable.
  
2. **Service Courts (Total Cost: \$2,000,000)** **\$1,000,000**  
There are still seven (7) service courts to be completed. Voluntary participation on the part of the property owners is not readily available. SHRA funding could serve as matching funds so that once and for all, the service courts would be completed. There is the need to refine the development costs.
  
3. **OSMB Projects (e.g. street furniture; upgrading the appearance of vacant property; signage strategy; theme housings for newspaper racks; etc.)** **\$240,000**  
These projects would provide a better commercial and aesthetic environment. Some of these are one-time costs, however there is an on-going need for these types of projects.
  
4. **Mini-Parks (3)** **\$100,000**  
The improvement of three vacant development sites as mini-parks will provide the area with not only a better image and a more finished look, it will provide some creature comforts for the visitors to the historic area.
  
5. **Waterfront Commercial Building Tenant Improvements** **\$550,000**  
The waterfront building which is earmarked for a restaurant or some interim use is one of the most sorely needed projects, even more now than it was five years ago when it first became available.
  
6. **Downtown/Old Sacramento Shuttle** **\$1,000,000**  
There is a critical need, particularly, during the DPP construction for the shuttle system to move shoppers, visitors, office occupants, etc. around the downtown and into Old Sacramento.
  
7. **Waterfront Pedestrian Promenade: "L" Street to Capitol Mall** **\$500,000**  
**Capitol Mall to "O" Street** **\$1,200,000**  
This project was originally funded as part of the "docks" project. It is a riverfront improvement that is essential to the success of the "museum mile".
  
8. **Structural Stabilization and Historic Exterior of Ebner's Hotel** **\$1,500,000**  
Ebner's is the only structure in the historic area that is not stabilized and is without a completed historic facade. For safety purposes the building should be structurally stabilized and for cosmetic purposes, the exterior of the building should be completed. There is a complete set of architectural and structural plans available. These funds could be recouped from a developer upon the sale of this building and adjacent site.

TOTAL:

**\$7,090,000**

=====



Received in ED's Office

APR 14 1992

Sacramento Housing and  
Redevelopment Agency

Management Board  
917 Front Street  
Old Sacramento, CA 95814  
(916) 443-0877  
Fax (916) 443-0887

April 7, 1992

John Molloy  
Executive Director  
Sacramento Housing and Redevelopment Agency  
630 "I" Street  
Sacramento, CA 95814

Subject: Old Sacramento List of Project Needs

Dear John:

Thank you for the opportunity to meet with you and members of your Staff regarding the reallocation of the \$6.2 million previously earmarked for Old Sacramento and the Docks/hotel project.

The Old Sacramento Management Board continues to feel that the majority of these funds should be used for high priority projects in and adjacent to Old Sacramento. Since these are expected to be the only funds available for "projects" until the next tax increment bond issue (1996), it is important that the majority of funding go for completing as much of the Old Sacramento project as possible. The further completion of the historic project funded will enhance the financial and programmatic success of the historic district.

The following projects were agreed to by the SHRA Staff as early as the fall of 1991. These items have not yet been funded but continue to be supported by the SHRA Staff.

1.	Signage Program & Strategy: Implementation	\$10,000
2.	Joint Leasing Promotions (with Downtown)	10,000
3.	Old Sacramento Demographics: Update/Reprint	11,000
4.	Vacant Property Enhancement (Orleans/Enterprise)	10,000
5.	Streetscape Pilot Project: Implementation	7,500
6.	Property Marketing/Business Development	30,000
7.	Facade Enhancement Program	<u>31,500</u>
	<u>TOTAL</u>	<u>\$110,000</u>

Considering that there will be no additional "project" funding for Old Sacramento for the next four years (until 1996), there are additional "projects" which need funding and which the OSMB would implement. These projects total an additional \$180,000.

- |    |   |           |
|----|---|-----------|
| 1. | <u>Street/Public Area "Furniture"</u>   | \$ 45,000 |
|    | Most, if not all of these items are identified in the Old Sacramento Street Scenes and Street Activities report, by the Sacramento Museum and History Department, City of Sacramento, 1978. |           |

2.	<p><b><u>Implementation Plan - 2000</u></b></p> <p>There is no master plan for the development and operation of Old Sacramento. However, there are policies, plans, ordinances, etc. dating back to the early 1960's. These should be pulled together and coalesced into an implementation plan for the next decade of the development and operation of Old Sacramento.</p>	20,000
3.	<p><b><u>Historic Interpretation: Implementation</u></b></p> <p>Through programs and printed materials, this project would tell the history of the buildings and the streetscene for the visitors, shoppers, etc. The redevelopment plan, the original masterplan and the report listed in #1 would be the guiding documents for implementation.</p>	25,000
4.	<p><b><u>Event Support Facilities and Equipment</u></b></p> <p>There are many items used in the production of the many events and promotions that are needed in order for these events to be staged as quality events and with some degree of relationship to the historic setting.</p>	35,000
5.	<p><b><u>Transportation Management Program</u></b></p> <p>This would include consolidating all of the available information on the existing modes of travel and vehicle storage of the business owners, the retail employees, the office workers, the museum staff and docents, etc. and to develop an organized TMP, similar to those developed for major developments in the downtown area.</p>	15,000
6.	<p><b><u>Vacant Property Enhancement</u></b></p> <p>This would be a continuation of the program included in the initial request and would focus on the Firehouse Parking lot fencing along "L" and Front Street and on the Ebner/Empire Hotel site along "K" Street.</p>	\$20,000
7.	<p><b><u>Historic Signage</u></b></p> <p>There are numerous "historic" signs that are important parts of the streetscene and that do not identify existing businesses. The project elements have been identified in A Guideline for Signs, Old Sacramento Historic District, July 1983, by the City's Museum and History Department.</p>	\$20,000
<b>TOTAL</b>		<b>\$ 180,000</b>

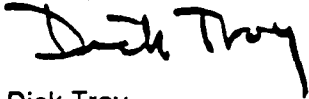
Hopefully you and your Staff can support these projects and recommend them for funding to the SHRA Commission and to the City Council.

Attached is the complete list of OSMB recommended projects. This list totals an estimated cost of (27)

\$7,090,000. As you can see, we recommend that the amount for the downtown shuttle be reduced to cover the additional \$180,000 needed for Old Sacramento. Since the \$1.0 million earmarked for the shuttle does not include any funding needed for shuttle equipment acquisition, it seems appropriate that this project be allocated \$820,000 instead. This is still a significant amount (13%) of all of the funding being reallocated..

A representative of the Old Sacramento Management Board will formally present this revised request at the SHRA Commission meeting scheduled for April 15th.

Very truly yours,

A handwritten signature in black ink that reads "Dick Troy". The signature is written in a cursive, slightly slanted style.

Dick Troy  
President, OSMB

Attachment

cc w/attachment

Heather Fargo, OSMB Member/City Council Member

Carl Amundsen, OSMB Member/SHRC Member

**PROJECT**

**ESTIMATED COST**

1.	<b><u>"K" Street Pedestrian Underpass Improvements</u></b>	<b>\$1,000,000</b>
	This may be the most important unfunded project and should be completed and available when the DPP is completed. As a minimum, this project should involve: security lighting; signage; cleanliness/anti-graffiti and other items that will make this pedestrian connector useable.	
2.	<b><u>Service Courts (Total Cost: \$2,000,000)</u></b>	<b>\$1,000,000</b>
	There are still seven (7) service courts to be completed. Voluntary participation on the part of the property owners is not readily available. SHRA funding could serve as matching funds so that once and for all, the service courts would be completed. There is the need to refine the development costs.	
3.	<b><u>OSMB Projects</u></b>	<b>\$290,000</b>
	These projects would provide a better commercial and aesthetic environment. Some of these are one-time costs, however there is an on-going need for these types of projects.	
4.	<b><u>Mini-Parks (3)</u></b>	<b>\$100,000</b>
	The improvement of three vacant development sites as mini-parks will provide the area with not only a better image and a more finished look, it will provide some creature comforts for the visitors to the historic area.	
5.	<b><u>Waterfront Commercial Building Tenant Improvements</u></b>	<b>\$550,000</b>
	The waterfront building which is earmarked for a restaurant or some interim use is one of the most sorely needed projects, even more now than it was five years ago when it first became available.	
6.	<b><u>Downtown/Old Sacramento Shuttle</u></b>	<del><b>\$1,000,000</b></del> <b>\$820,000</b>
	There is a critical need, particularly, during the DPP construction for the shuttle system to move shoppers, visitors, office occupants, etc. around the downtown and into Old Sacramento.	
7.	<b><u>Waterfront Pedestrian Promenade: "L" Street to Capitol Mall</u></b>	<b>\$500,000</b>
	<b><u>Capitol Mall to "O" Street</u></b>	<b>\$1,200,000</b>
	This project was originally funded as part of the "docks" project. It is a riverfront improvement that is essential to the success of the "museum mile".	
8.	<b><u>Structural Stabilization and Historic Exterior of Ebner's Hotel</u></b>	<b>\$1,500,000</b>
	Ebner's is the only structure in the historic area that is not stabilized and is without a completed historic facade. For safety purposes the building should be structurally stabilized and for cosmetic purposes, the exterior of the building should be completed. There is a complete set of architectural and structural plans available. These funds could be recouped from a developer upon the sale of this building and adjacent site.	
<b>TOTAL:</b>		<b>\$7,090,000</b> =====

# FERRYBOAT SAN DIEGO

1207 FRONT STREET, #14  
SACRAMENTO, CA 95814

(916) 552-2939 FAX (916) 552-2942

April 17, 1992

Ms. Mary Wray  
Sacramento Housing and Redevelopment Agency  
1013 7TH St., Suite 200  
Sacramento, California 95814

Dear Ms. Wray,

I presented preliminary information concerning Ferryboat "San Diego" project at the March 11, 1992 meeting of the Sacramento Housing and Redevelopment Commission. Since that time we have developed a specific plan for the docking of the ferryboat and prepared cost estimates. A drawing showing the proposed docking plan is attached as well as the cost estimate for the project.

The docking plan presented some unique engineering challenges in order to allow access to the vessel at the various water levels which could be encountered on the Sacramento River. We believe the plan depicted on the drawing is a sound plan and would solve this problem. In addition, the plan developed has several other features which greatly enhance its desirability. The plan as shown would provide public access to both the riverside walkways and to the docking float. The ramping system would be in complete accordance with the requirements of the Americans with Disabilities Act. The use of a "float" for the docking of the "San Diego" would also provide 600-800 lineal feet of public docking which would allow boaters to arrive at and visit Old Sacramento via their private boats. The design and construction would allow for the incorporation of the project into docking north to Old Sacramento and south along the "Docks" area.

Costs for the project are summarized in the attached cost estimate. The components of this project can be roughly divided into the "floating" and the "fixed" facilities. The costs associated with each component are about equal and the entire project would be amenable to a joint venture using public and private funds. We are prepared to provide private funds for part of this project. One possible approach would allow us to build a portion of the "floating" part of the project in exchange for forgiveness of all or part of the lease fees for some period of time.

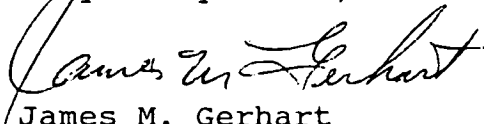
We have prepared an artists rendering of the vessel and the proposed site. A photograph of this rendering is also attached.

We firmly believe that this project has high merit and would be of overall benefit to the City of Sacramento and surrounding areas. Some of the benefits we see are:

1. This project would serve as a catalyst for the development and extension of Old Sacramento south of the Tower Bridge consistent with the General Plan for the "Docks" area.
2. It would provide public access to all individuals to the river and river walkways.
3. The project would provide 600-800 feet of additional boat docking with access to Old Sacramento allowing more visitors without additional automobile impact.
4. We estimate that the operation of the ferryboat will have gross sales in excess of ten million dollars during the first three years of operation. Since a large portion of this revenue would be derived from the tourism industry it would be new money into the local economy and would have the usual "ripple" effect. The operation would also produce \$750,000 in sales taxes along with other lease fees and taxes.
5. The operation of the ferryboat would create 100-150 new full and part time jobs. These jobs would cover a wide range of skill requirements and would provide entry level type employment for many individuals.

I hope this information will be useful for your staff considerations and I would extend an invitation to you, the members of your staff and the members of the Commission to visit the ferryboat for a first hand view of this unique facility.

Very Truly Yours,



James M. Gerhart  
President  
FERRYBOAT SAN DIEGO

Ferryboat  
**AUCTION**

By Order Of City Of Antioch, California

# San Diego Ferryboat



**NOVEMBER 1ST  
1991 • 10AM**

Preview: October 31st, 1991  
Or By Appointment

**Antioch, California**

Public Fishing Pier • Waldie Plaza

ROSS-DOVE  
LIGHTS  
COMPANY

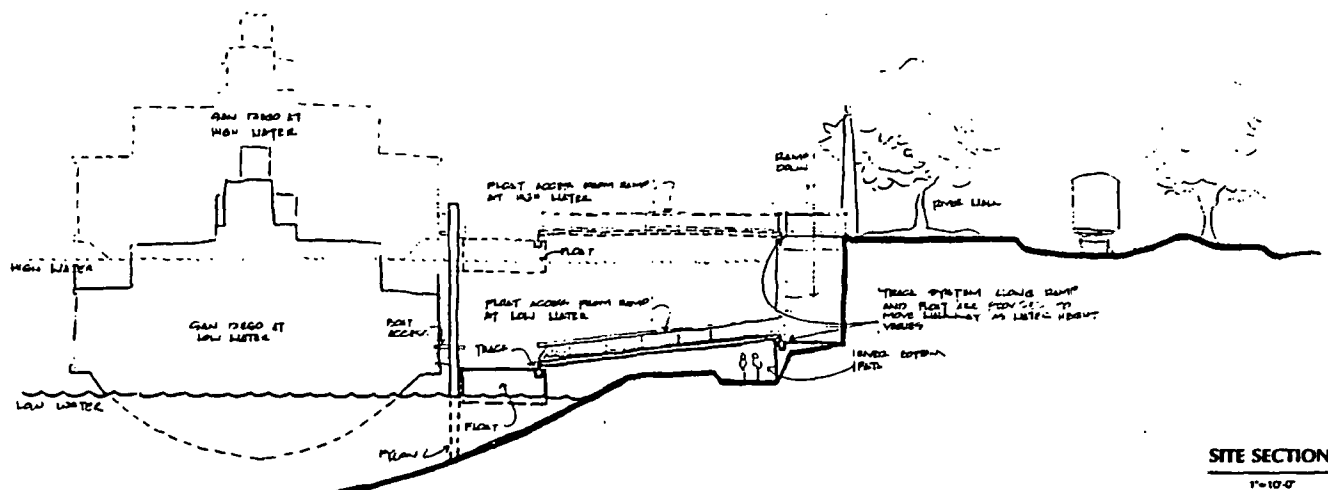


DOCKING FACILITIES FOR VESSEL SOUTH OF THE TOWER BRIDGE

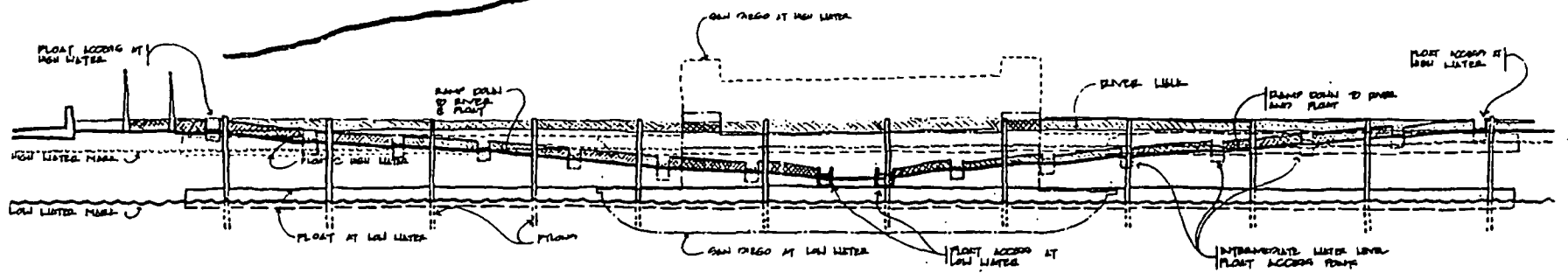
ESTIMATE OF PROBABLE CONSTRUCTION COST

April 22, 1992

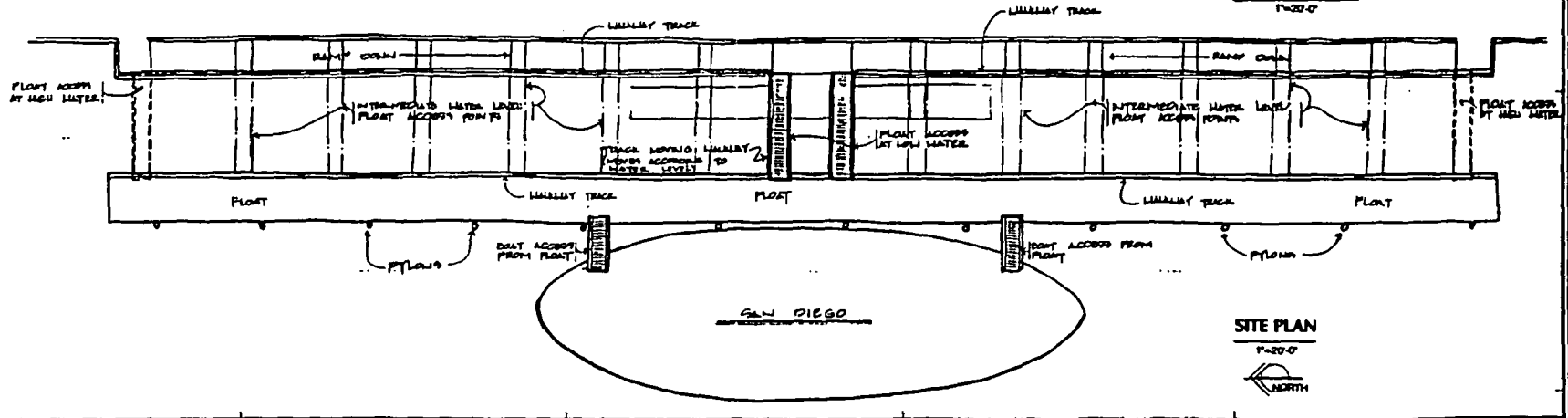
General Contractor's Field Expense 3 mo. @ \$10,000	\$ 30,000
Pylons 16 pylons, 75' long @ \$40/ft.	\$ 48,000
Float 16' wide x 520 x \$12/ft.	\$100,000
Bridges to Float 2 ea. @ \$25,000	\$ 50,000
Ramp 12' wide x 520 l.f. @ \$30/s.f.	\$187,200
Float Lighting 12 fixtures @ \$1,500	\$ 18,000
Utility Connection (Levy wall to vessel)	\$ 80,000
Misc.	\$ 11,200
<hr/>	
Sub-Total	\$524,400
Design Contingency @ 10%	52,440
	<hr/>
	\$576,840
General Contractor's Overhead, Profit @ Bond @ 15%	\$ 86,526
	<hr/>
	\$663,366
	<hr/>
	USE \$664,000
	=====



**SITE SECTION**  
1"=10'-0"



**SITE ELEVATION**  
1"=20'-0"



**SITE PLAN**  
1"=20'-0"  
NORTH



<p>THIS DOCUMENT IS NOT TO BE USED FOR ANY OTHER PROJECTS WITHOUT THE WRITTEN PERMISSION OF THE ENGINEER.</p> <p>DATE: 5-17-92</p>
<p>PROJECT: [illegible]</p>
<p>DATE: 5-17-92</p>
<p>SCALE: 1"=20'-0"</p>
<p>BY: [illegible]</p>
<p>CHECKED BY: [illegible]</p>
<p>DATE: [illegible]</p>
<p>PROJECT NO: [illegible]</p>
<p>SCALE: [illegible]</p>
<p>BY: [illegible]</p>
<p>CHECKED BY: [illegible]</p>
<p>DATE: [illegible]</p>

# SACRAMENTO BALLET

2791 - 24TH STREET, SUITE 16 • SACRAMENTO, CA 95818 • (916) 736-2860

Ron Cunningham, Artistic Director

April 16, 1992

The Honorable Anne Rudin  
Mayor  
City of Sacramento  
City Hall  
915 I Street, Room 205  
Sacramento, CA 95814

Dear Mayor Rudin:

Sacramento Ballet has been undergoing a period of unprecedented growth and recognition in our community. In the last four years our audiences have almost quadrupled, our budget has almost tripled, and the number of professional dancers we employ has almost tripled as well. On April 28, the council will consider a plan proposed by the Redevelopment Agency that will fundamentally affect the future of our organization, and I would like the opportunity to meet with you in anticipation of your meeting to ask for your support.

Even with our growth and growing financial stability, we lack two vital elements for the future viability of Sacramento Ballet: a facility with adequate studios and offices for our work and a ballet school to provide dancers for the Company. Working through the Redevelopment Agency, we have identified a potential "Opportunity Site" for our future business location in downtown Sacramento. We have been in discussion for some time with Barbara Crockett-Gallo, founder of the Sacramento Ballet, regarding the possible merger of her school, The Crockett Dance Studio, and the Sacramento Ballet Association. The success of the possible merger depends on the Association's securing a location for the combined use of the Company and School.

I have asked Kathy Grindstaff, the Ballet's Office Manager, to call your office to arrange a time for us to meet regarding the Redevelopment Agency's Reprogramming of the Docks Downtown Funding. I realize that this is somewhat short notice, but events are moving very fast indeed for us. This is a critical opportunity which we may not have again.



HPR-17-1992 10:55AM FROM

I look forward to speaking with you in the very near future.

Sincerely,

*Richard N. Frey*

Richard N. Frey  
President-Elect  
Sacramento Ballet Association

RF:kg

cc: Dennis Mangers, President  
Ron Cunningham, Artistic Director  
Ernest Phinney, Executive Director  
Kathy Grindstaff, Office Manager

# The Downtown District

Arts and Entertainment in Sacramento

Received in ED's Office

APR 27 1992

Sacramento Housing and  
Redevelopment Agency

April 20, 1992

John Molloy, Executive Director  
Sacramento Housing & Redevelopment Agency  
630 I Street  
Sacramento, CA 95814

RE: Reprogramming of "Docks" Funding

Dear Mr. Molloy:

There appear to be two items on the attached Sacramento Housing and Redevelopment Agency staff recommendation that are still under discussion, items K and O. Speaking for The Downtown District, Planning and Development Committee we feel the Docks Area Promenade and Tower Bridge Undercrossing are inappropriate expenditures at this point because the development of the area south of Capitol Mall is in question for the foreseeable future. We therefore suggest that 50% of item K be reallocated to item M (Housing and/or Cultural Facility) and the balance to Old Sacramento projects and other projects deemed priorities. Also, we feel that there will be minimal benefit from additional funding for Mory's Place, and suggest that item O be reallocated in the same fashion.

We thank you for your consideration of these recommendations.

Sincerely,



David Taylor  
Treasurer



777K Street  
Suite 308  
Sacramento  
CA 95814  
Ph 916 442 8575  
Fax 916 442 2053  
A PUBLIC/PRIVATE  
PARTNERSHIP  
SPONSORED BY  
THE CITY OF  
SACRAMENTO AND  
THE SACRAMENTO  
HOUSING AND  
REDEVELOPMENT  
AGENCY



**SACRAMENTO  
HOUSING AND REDEVELOPMENT  
AGENCY**



May 26, 1992

Redevelopment Agency of the  
City of Sacramento  
Sacramento, CA

Honorable Members in Session:

SUBJECT: Reprogramming of Downtown Funding Previously Allocated  
to the Docks Public Improvements and Garage Project

LOCATION & COUNCIL DISTRICT

Merged Downtown Sacramento Redevelopment Area - District 1

The attached report concerning Downtown Funding will be scheduled  
for hearing on June 4, 1992. This report is provided for public  
information. No action on the item is requested at this time.

Respectfully submitted by,

*Margie Conwell*  
for JOHN E. MOLLOY  
Executive Director

TRANSMITTAL APPROVED BY:

*Walter J. Slipe*  
WALTER J. SLIPE  
City Manager

Contact Person: Bina Lefkovitz  
Director, Community Development, 440-1357

JR:rd

June 4, 1992

Redevelopment Agency of the  
City of Sacramento  
Sacramento, California

Honorable Members in Session:

SUBJECT: REPROGRAMMING OF DOWNTOWN FUNDING  
PREVIOUSLY ALLOCATED TO THE DOCKS PUBLIC  
IMPROVEMENTS AND GARAGE PROJECT

LOCATION AND COUNCIL DISTRICT:

Merged Downtown Sacramento Redevelopment Area, Council District 1



SUMMARY

This report presents staff's recommendation on the reallocation of \$5.4 million funding from the Docks project and an additional \$850,000 from unencumbered Old Sacramento projects. Total funding reallocated is \$6.25 million. All of the funding allocations recommended (except for the one to the Old Sacramento Management Board) are for the purposes of budgeting only. Each project or program will be brought back in greater detail for your consideration.

COMMISSION ACTION

At its meeting of April 15, 1992, the Sacramento Housing and Redevelopment Commission adopted a motion recommending adoption of the staff recommendation and transferring \$75,000 from the Downtown Shuttle program to the Crocker Art Museum. Votes were as follows:

AYES: Amundson, Cespedes, Diepenbrock, Inglis, Moose,  
Williams, Wooley, Yew, Simon

NOES: None

ABSENT: Pernell, Simpson

P.O. Box 1834

S a c r a m e n t o

CA 95812-1834

916-444-9210

# SACRAMENTO HOUSING & REDEVELOPMENT AGENCY

Redevelopment Agency  
May 26, 1992  
Page 2

The Commission did not approve the \$400,000 allocation for the historic preservation of Mory's Place. The Commission requested a report back on Mory's Place and directed staff to prepare funding alternatives. Votes on this motion were as follows:

AYES: Amundson, Cespedes, Diepenbrock, Wooley, Yew

NOES: Inglis, Moose, Williams, Simon

ABSENT: Pernell, Simpson

At its meeting of May 6, 1992, the Sacramento Housing and Redevelopment Commission adopted a motion recommending that the \$400,000 funding recommended by staff for allocation to Mory's Place be allocated as follows: an additional \$180,000 funding would be provided for the Old Sacramento Management Board (see Attachment IX, pages 26-27) (totalling \$290,000 funding), an additional \$75,000 would be applied to the Crocker Art Museum's HVAC replacement (totalling \$150,000), the Sister Cities complex/Master Lease project would be augmented by \$100,000 (totalling \$170,000), and the remaining \$45,000 would be reallocated to opportunity site development (augmented project total would be \$645,000). Votes were as follows:

AYES: Amundson, Diepenbrock, Inglis, Simon, Wooley, Yew

NOES: Moose

ABSENT: Cespedes, Simpson, Williams

## STAFF RECOMMENDATION

Staff recommends that the Agency adopt the attached resolution which: 1) confirms termination of the Riverview/Embassy Joint Venture Predevelopment Agreement; 2) amends the 1992 budget to reflect the reallocation of funding from the Docks Public Improvements and Garage project, as well as the Old Sacramento Construction Project and the Waterfront/Public Improvement project to projects in the Merged Downtown Sacramento Redevelopment Area, including Old Sacramento, the Docks and the Central Business District and an allocation for preservation of Mory's Place (as outlined in Exhibit A to the resolution); 3) authorizes the Executive Director to execute an agreement with the Old Sacramento Management Board (OSMB) for the purpose of funding OSMB projects to improve the commercial and aesthetic environment in Old Sacramento; and 4) authorizes the Executive Director to exchange \$3,265,000 in reprogrammable taxable funding, with \$3,265,000 tax-exempt 1990 TABs funding currently appropriated for housing development projects and contingency funds.



# SACRAMENTO HOUSING & REDEVELOPMENT AGENCY

Redevelopment Agency

May 26, 1992

Page 3

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Resolution	8
Attachments	11

## BACKGROUND

On July 23, 1991, the Redevelopment Agency of the City of Sacramento (Agency) adopted Resolution #91-062, which authorized the Executive Director to notice termination of the Riverview/Embassy Joint Venture Predevelopment Agreement. The attached resolution further confirms that all agreements and understandings pertaining to the development of the Docks Hotel and Parking Garage project are now terminated. This action provides an opportunity to reallocate \$5.4 million of funding previously allocated for this project to other unfunded Downtown projects.

Recommendations for disposition of the Docks parcel will be provided in a separate staff report. Staff remains convinced that the site is a premier hotel development site and will most likely recommend a reissuance of Requests for Proposals at a later date when market conditions are more favorable.

In addition to the \$5.4 million available from the Docks project, approximately \$850,000 remains unexpended or unencumbered from various accounts in the Old Sacramento/Docks project area. This report combines the available resources from the Docks Hotel Project (Embassy Suites) and Old Sacramento/Docks accounts for a total of approximately \$6.25 million and recommends these funds be reprogrammed to fund 16 unfunded projects throughout the Merged Downtown Sacramento Redevelopment Area.

The 16 projects represent key activities that complement and enhance specific revitalization strategies currently underway in Downtown, including: streetscape improvements; mixed-use projects that may combine office with housing and/or cultural/entertainment facilities; opportunity sites development; a Downtown shuttle; Old Sacramento waterfront enhancements; Crocker Art Museum HVAC replacement; implementation of the Historic Preservation Strategy; and commercial retail revitalization programs targeted to priority blocks on J and K streets. Attachments I, II,

# SACRAMENTO HOUSING & REDEVELOPMENT AGENCY

Redevelopment Agency  
May 26, 1992  
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and III identify the recommended projects, funding allocation and their respective locations. Attachment IV provides a brief description of each project. Attachment V provides a list of other eligible projects in the Downtown area which merit funding consideration. Due to limited resources, however, funding consideration for these projects is proposed to be deferred until the next bond issue, projected to be in 1996 or 1997. Attachment IX is copies of miscellaneous correspondence received on this issue.

This item was heard by the Sacramento Housing and Redevelopment Commission in a workshop on March 11, 1992. Agency staff presented the item and the Commission received public testimony. The Sacramento Housing and Redevelopment Commission took initial action on this item on April 15, 1992 and heard a report back on the item on May 6, 1992.

## FINANCIAL CONSIDERATIONS

This report concerns redistribution of 1989 COPs (\$4.0 million), 1990 TABs (\$1.8 million) and downtown tax increment funds from the Docks Hotel project, Old Sacramento Construction and the Docks/Waterfront Improvement projects (\$450,000) to Merged Downtown Sacramento Redevelopment Area capital improvement projects as shown on Attachment I.

Additionally, the \$6.25 million available for reprogramming is comprised of taxable and tax-exempt proceeds from the 1990 TABs and 1989 COPs, as well as Downtown tax increment funds. The breakout of these funds is below:

1900 TABs, tax-exempt	\$	400,000
1990 TABs, taxable		1,400,000
1989 COPs, taxable		4,000,000
Downtown tax increment		<u>450,000</u>
Total	\$	6,250,000

Federal tax regulations place restrictions on the use of tax-exempt funds for housing development projects that are primarily initiated by the private sector. One restriction is that tax-exempt funds cannot be loaned to private developers. Another is that tax-exempt funds used to acquire property cannot be recovered if the property is sold to a private developer; rather, costs must be "written down" at the time of disposition.

# SACRAMENTO HOUSING & REDEVELOPMENT AGENCY

Redevelopment Agency  
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Taxable funds carry no such restrictions and it is apparent that tax-exempt funds should be used for capital projects initiated by the public sector while taxable funds should be used to leverage projects in the private sector.

Some of the housing development projects approved in the 1992 Agency budget are currently funded by tax-exempt 1990 TAB proceeds. In order to remove the types of restrictions highlighted above, staff is recommending that an exchange of taxable and tax-exempt funding between previously approved capital projects in the Merged Downtown Redevelopment Area be initiated.

The exchange of taxable and tax-exempt funding will neither interfere with the mix of Downtown projects described in this report nor place restrictions on their implementation. In addition, the exchange will not modify the appropriation levels of any previously approved housing development projects in the budget.

Therefore, the attached resolution authorizes the Executive Director to reappropriate \$6.25 million in funding previously appropriated for the Docks Public Improvements and Garage Projects; exchange \$3,265,000 in reprogrammable taxable funding with \$3,265,000 tax-exempt 1990 TABs funding currently appropriated for housing development projects and contingency funding; and amend the Agency budget accordingly to accomplish these actions.

## POLICY CONSIDERATIONS

The termination of the predevelopment agreement between the Agency and the Riverview/Embassy Joint Venture is consistent with Resolution No. 91-062.

The reprogramming of downtown tax increment funds for Downtown projects is consistent with the previously authorized capital expenditures plan; the 1991 Agency goals and objectives; the Merged Downtown Sacramento Redevelopment Plan; the Downtown Cultural and Entertainment District Master Plan; and the Downtown Urban Design Plan. It is necessary to allocate funds in sufficient amounts to implement the Agency's objectives in Downtown.

# SACRAMENTO HOUSING & REDEVELOPMENT AGENCY

Redevelopment Agency

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Staff is recommending that these funds be spent to enhance the aesthetic, cultural, historical, and retail aspects of the Merged Downtown Sacramento Redevelopment Plan to support previous or ongoing Agency revitalization activities and to create an environment which will attract new development and rehabilitation activities. This is consistent with the original use of the funds for commercial-oriented activities. We are well aware of many other potential objectives for use of these funds. In this instance, however, we believe it important to continue to enhance the physical and aesthetic environment so that Downtown can continue to grow. We believe that in these recessionary times, it is very important to continue these kinds of improvements so that tax increments can continue to be generated for housing and other social services.

No new funding is being directly recommended for affordable housing, although several of the projects assisted could include housing. As you may recall, at the time the 1989 COPs proceeds were allocated, 29% of the bond proceeds were distributed to affordable housing projects. As Attachment VI shows, \$4.0 million of the \$13.9 million total 1989 COPs bond issue were allocated to low/moderate income housing projects. In 1990, a greater share of tax allocation bond (TAB) proceeds, 42%, or approximately \$15 million of the \$36 million bond, was allocated to low/moderate housing projects (see Attachment VII). Finally, Attachment VIII showing the relationship of the 20% housing set-asides, housing expenditures for low-moderate income housing against the downtown tax increment revenue stream from 1985 to present. Cumulatively 27.8% of Downtown tax increment funds have been expended for low to moderate income housing, while 1991 figures show approximately 47% of tax increment is being expended for low/moderate housing. These expenditures represent direct progress toward the Agency's intermediate range goal to allocate 50% of downtown tax increments to housing.

## ENVIRONMENTAL REVIEW

All proposed actions are in furtherance of the Merged Downtown Sacramento Redevelopment Plan and were deemed approved at the time of plan adoption per CEQA Guidelines Section 15180. No subsequent or supplemental environmental impact reports are required for the proposed actions, which would be exempt under Guidelines Section 15311; thus no further environmental documentation is required.

SACRAMENTO HOUSING & REDEVELOPMENT AGENCY

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MINORITY/WOMEN BUSINESS ENTERPRISE (M/WBE) CONSIDERATIONS

The Agency's M/WBE policy will apply to any future contracts discussed in this report, specifically those listed on Attachment I.

Respectfully submitted by,

*John E. Molloy*  
for JOHN E. MOLLOY  
Executive Director

TRANSMITTAL APPROVED BY: For Council Meeting of:

May 26, 1992

---

WALTER J. SLIPE  
City Manager

Contact Person: Bina Lefkovitz, Director, Community Development, 440-1357

*staffrpt\56mil*

# RESOLUTION NO.

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF \_\_\_\_\_

## REALLOCATION OF DOCKS PUBLIC IMPROVEMENTS AND GARAGE FUNDS

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO:

Section 1: The termination of the Docks Hotel Project is approved, and the 1991 Agency budget is amended to reallocate funding, made available by such termination, from the Docks Public Improvements and Garage Project, the Old Sacramento Construction Project and the Waterfront/Public Improvement Project to projects in the Merged Downtown Sacramento Redevelopment Area, including Old Sacramento, the Docks and the Central Business District, as set out in Exhibit A to this Resolution and below.

Section 2: The Executive Director or his designee is authorized to execute an agreement with the Old Sacramento Management Board (OSMB) for the purpose of funding OSMB projects approved by the Agency staff to improve the commercial and aesthetic environment in Old Sacramento. The maximum compensation under this agreement shall not exceed \$110,000.

Section 3: The Executive Director or his designee is authorized to re-allocate \$ 3,265,000 in reprogrammable taxable funding which shall be replaced with \$ 3,265,000 tax-exempt 1990 TABs funding currently appropriated for housing development projects and contingency funding.

\_\_\_\_\_  
CHAIR

ATTEST:

\_\_\_\_\_  
SECRETARY

U:\Share\Reso\Realloc.\$

FOR CITY CLERK USE ONLY

RESOLUTION NO.: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_

STAFF RECOMMENDATION  
REALLOCATED FUNDING

I. Funding Sources

A. Downtown Tax Increment Old Sacramento Construction Capital Improvements	\$ 450,000
B. 1990 Tax Allocation Bond (TAB) Docks/Waterfront Improvements ( <i>Old Sacramento CIP</i> ) Docks Public Improvements ( <i>Docks Hotel</i> )	\$ 400,000 <u>\$ 1,400,000</u>
<i>subtotal</i>	\$ 1,800,000
C. 1989 Certificates of Participation (COP) Docks Public Improvements ( <i>Docks Hotel</i> )	\$ 4,000,000 <u>\$ 6,250,000</u>
<i>total</i>	

II. Recommended Project Allocation

1. Redevelopment Advancement

A. Downtown Opportunity Site Developer Selection	\$ 70,000
B. Fund for Opportunity Site Development	\$ 600,000
C. Comprehensive Downtown Revitalization Strategy for J & K streets	\$ 385,000
D. Master Lease Program (Sister Cities Project)	\$ 70,000
E. Old Sacramento Management Board Funding	\$ 110,000
F. Tenant Improvement Costs for Riverfront Restaurant	\$ 400,000

2. Public Amenities

G. Downtown Shuttle Program Start-up Costs	\$ 925,000
H. Downtown Streetscape Improvements - 4th Street Promenade between J & K Streets	\$ 400,000
I. Downtown Streetscape Improvements - Old Sacramento Tunnel under I-5 freeway	\$ 485,000

J. Old Sacramento Mini-parks	\$ 100,000
K. Docks Area Promenade and Tower Bridge Undercrossing	\$ 1,100,000
L. Temporary Boardwalk - 8th and J Streets	\$ 80,000
3. <u>Cultural Amenities</u>	
M. Housing &/or Cultural and Entertainment Facility subsidy in the Downtown District	\$ 650,000
N. Allocation for the Replacement of Crocker Art Museum HVAC (Harrold Wing)	\$ 75,000
4. <u>Historical Preservation</u>	
O. Historic Preservation Strategy Implementation	\$ 400,000
P. Historic Preservation of Mory's Place	<u>\$ 400,000</u>
<i>total</i>	<b>\$ 6,250,000</b>



STAFF RECOMMENDATION  
REALLOCATED FUNDING

## I. Funding Sources

A. Downtown Tax Increment		
Old Sacramento Construction Capital Improvements		\$ 450,000
B. 1990 Tax Allocation Bond (TAB)		
Docks/Waterfront Improvements ( <i>Old Sacramento CIP</i> )		\$ 400,000
Docks Public Improvements ( <i>Docks Hotel</i> )		<u>\$ 1,400,000</u>
	<i>subtotal</i>	\$ 1,800,000
C. 1989 Certificates of Participation (COP)		
Docks Public Improvements ( <i>Docks Hotel</i> )		<u>\$ 4,000,000</u>
	<i>total</i>	<u>\$ 6,250,000</u>

## II. Recommended Project Allocation

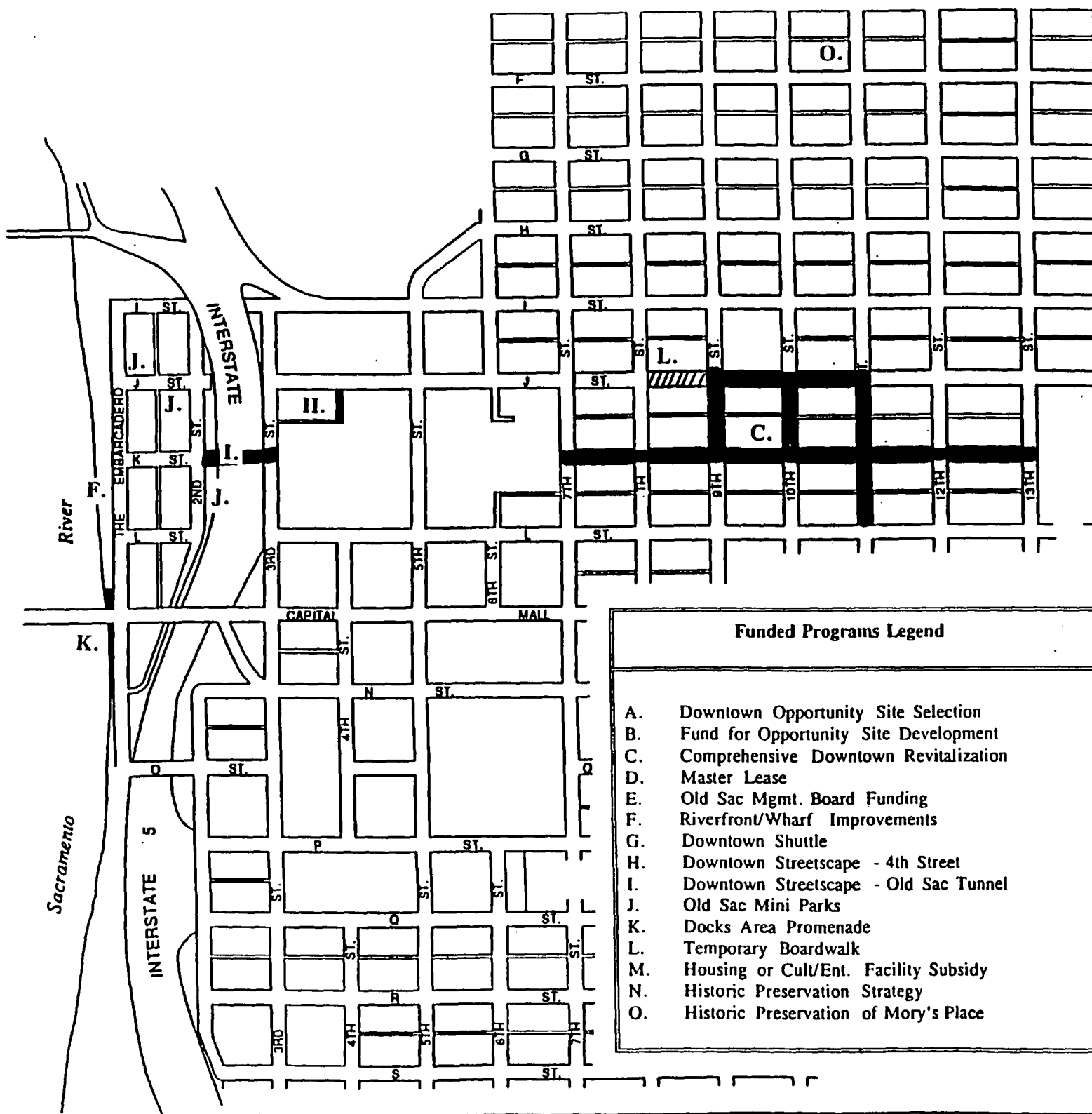
1. Redevelopment Advancement

A. Downtown Opportunity Site Developer Selection		\$ 70,000
B. Fund for Opportunity Site Development		\$ 600,000
C. Comprehensive Downtown Revitalization Strategy and Demonstration Program		\$ 385,000
D. Master Lease Program (Sister Cities Project)		\$ 70,000
E. Old Sacramento Management Board Funding		\$ 110,000
F. Riverfront and Wharf Improvements		\$ 400,000

2. Public Amenities

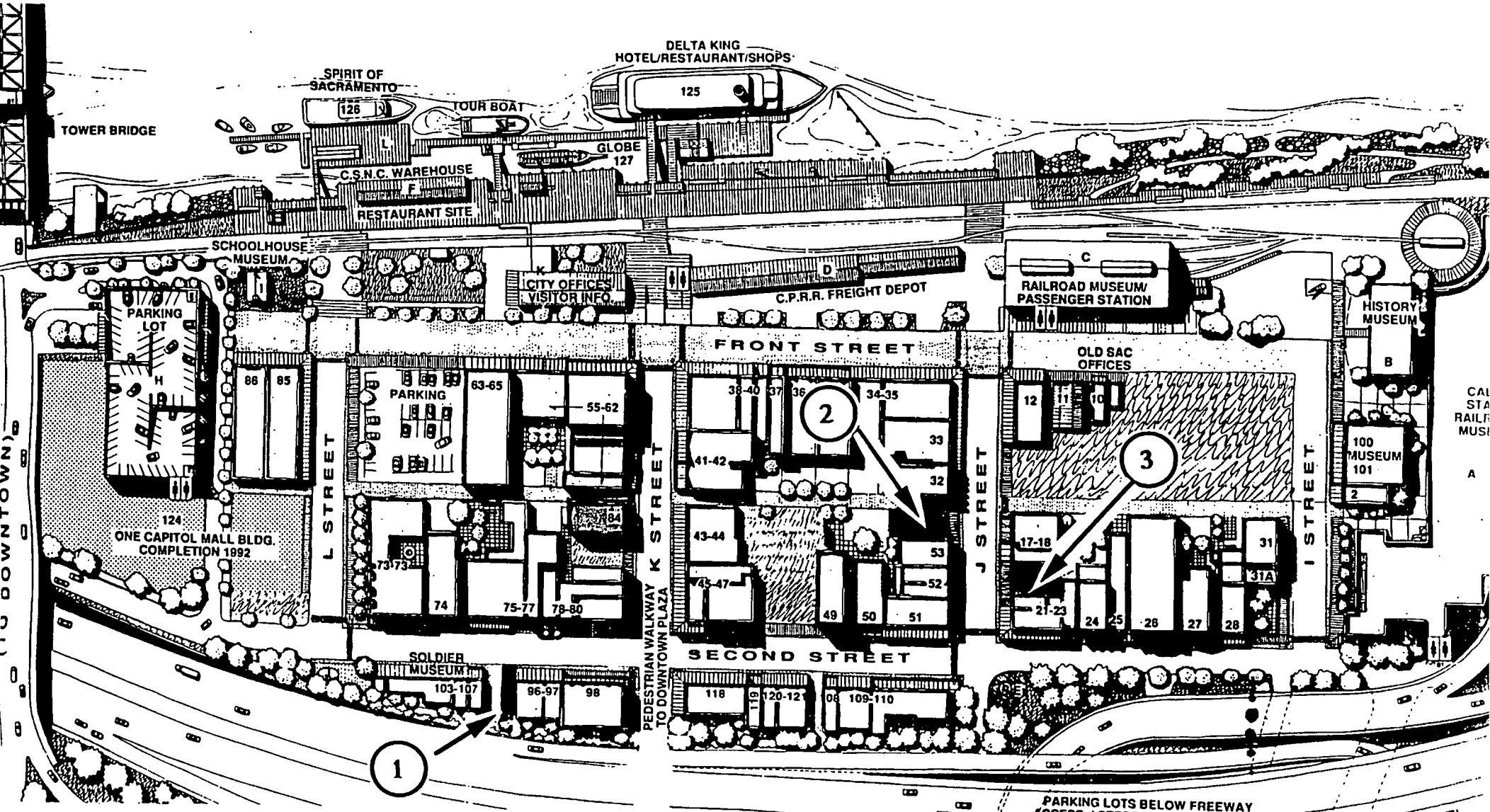
G. Downtown Shuttle Program Start-up Costs		\$ 925,000
H. Downtown Streetscape Improvements - 4th Street Promenade between J & K Streets		\$ 400,000
I. Downtown Streetscape Improvements - Old Sacramento Tunnel under I-5 freeway		\$ 485,000

J. Old Sacramento Mini-parks	\$ 100,000
K. Docks Area Promenade and Tower Bridge Undercrossing	\$ 1,100,000
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O. Historic Preservation Strategy Implementation	\$ 400,000
P. Historic Preservation of Mory's Place	<u>\$ 400,000</u>
<i>total</i>	<b>\$ 6,250,000</b>



Funded Programs Legend		Non specific site (not listed on map)
A.	Downtown Opportunity Site Selection	x
B.	Fund for Opportunity Site Development	x
C.	Comprehensive Downtown Revitalization	
D.	Master Lease	x
E.	Old Sac Mgmt. Board Funding	x
F.	Riverfront/Wharf Improvements	
G.	Downtown Shuttle	x
H.	Downtown Streetscape - 4th Street	
I.	Downtown Streetscape - Old Sac Tunnel	
J.	Old Sac Mini Parks	
K.	Docks Area Promenade	
L.	Temporary Boardwalk	
M.	Housing or Cult/Ent. Facility Subsidy	x
N.	Historic Preservation Strategy	various
O.	Historic Preservation of Mory's Place	

# OLD SACRAMENTO MINIPARK LOCATIONS



PARKING LOTS BELOW FREEWAY  
ACCESS: I STREET &/OR 1RD STREET

(TO DOWNTOWN)

CALIFORNIA  
RAILROAD  
MUSEUM

RECOMMENDED  
PROJECT DESCRIPTIONS AND BUDGET ALLOCATIONS

- A. Downtown Opportunity Site Developer Selection \$ 70,000  
Costs associated with the actions necessary to offer a site for development, i.e., appraisals, proposal solicitation and evaluation.
- B. Fund for Opportunity Site Development \$ 600,000  
Funds to facilitate development of opportunity sites. This allocation of funds could be used for pre-development activities, subsidies to promote mixed-use projects, or for acquisition costs. The recent experience of a low response rate on the Metropolitan Place RFP indicates that in the current development climate some inducements may be required to stimulate the preferred type of development on the targeted opportunity sites. Primarily, these will be mixed-use sites combining retail with office or housing.
- C. Comprehensive Downtown Revitalization Strategy and Demonstration Program \$ 385,000  
Our redevelopment strategy has been successful in encouraging private office development as evidenced by the Wells Fargo Building, One Capitol Mall, Plaza Park Tower, the Renaissance Tower, and 1201 K Street building. However, the quality and maintenance of public facilities (signage, public improvements, and streetscape) has declined in the established areas of Downtown. To partly address this concern and visually exhibit what can be done in this area, staff is proposing a demonstration program. This demonstration program will be comprehensive and include retail recruitment, maintenance improvements, aesthetic improvements and capital equipment purchases targeting the economic and retail revitalization in the J Street area (9th to 11th streets) and on the K Street Mall from 7th to 13th streets. Funds will primarily be used for capital expenditures, commercial loans, and facade grants. The entire project is detailed in a companion report to be heard by the Sacramento Housing and Redevelopment Commission on April 15, 1992.
- D. Master Lease Program \$ 70,000  
Under this program the Agency intends to rent a to-be-identified retail space on the K Street Mall. This funding would be used for rental and tenant improvements of an existing retail building for retail incubator space for the Sister Cities Project. The Sister Cities Project is an innovative new program that combines a retail incubator space with the opportunity to import/export products between the official sister cities of Sacramento.

E. Old Sacramento Management Board Funding \$ 110,000

Funding to supplement the Old Sacramento Management Board to provide sign enforcement, marketing materials and a facade enhancement program within Old Sacramento.

F. Riverfront and Wharf Improvements \$ 400,000

As part of our interest in revitalizing and bringing life to the waterfront, funding for improvements is recommended. The City is preparing a report that will identify the long-term retail/commercial use of the currently vacant waterfront warehouse and will provide further definition of necessary improvements on the riverfront and wharf area. The report will also address a plan for overall programming activities to complement and enhance the use of physical improvements made in the area. A portion of this funding will provide for utility hookups, air-conditioning/heating, plumbing and electrical systems to accept an interim tenant for the riverfront warehouse building. The remainder of funding will be available for anticipated improvements addressed in the City's forthcoming report.

G. Downtown Shuttle Program Start-up Costs \$ 925,000

As you recall, the Commission and Council previously approved a route plan for a proposed shuttle system to link employment centers, retail areas, and other important destination points in Downtown Sacramento. The funding proposed would contribute to initial capital costs associated with the purchase of shuttle vehicles, shelters, street furniture, signage, etc., in accordance with the Downtown Shuttle Study. This initial funding would provide a reserve with which other participating agency funds could be leveraged. Shuttle vehicles are estimated to cost \$150,000. The consultant recommends eight vehicles to travel along the preferred route to achieve 7.5 minute headways. However, six could provide similar service on an initial, smaller circuit. This funding would provide six vehicles plus a minimal amount of related streetscape improvement costs. A full report on the proposed financing of the operations of the shuttle is forthcoming in June. No expenditures will occur from these funds until that issue is decided.

H. Downtown Streetscape Improvements - 4th Street Promenade \$ 400,000

This item provides funding for construction of improvements to 4th Street between J and K adjacent to Lot U. Estimate includes landscape, hardscape, lighting, signage, and street furnishing necessary to complete the streetscape design next to the Downtown Plaza. We feel this streetscape improvement is of very high priority because of the proximity to the Downtown Plaza improvements. Reimbursement of the Agency for these costs will be required if and when the DDA for Parcel D1B of Downtown Plaza is negotiated.

I. Downtown Streetscape Improvements - Old Sacramento Tunnel \$ 485,000

Budget to provide improvements to the interior tunnel lighting as well as tunnel entries from both the Old Sacramento and Downtown District ends of the tunnel. Improvements include lighting, signage, installation of stairways, railings, and modest architectural screening of the freeway to improve the aesthetics of the pedestrian tunnel. Full interior remodel (including re-paving and interior renovation) is not recommended at this time due to project priorities. The interior portion is estimated at an additional \$750,000.

J. Old Sacramento Mini-parks \$ 100,000

Landscape construction costs for development of three temporary mini-parks in Old Sacramento on Agency-owned parcels as an interim use until the market is conducive for actual redevelopment. See Attachment III for the locations of these three parks.

K. Docks Area Promenade and Tower Bridge Undercrossing \$1,100,000

As part of our interest in bringing life to the waterfront and increasing the usage of public and private investments in the area, we recommend extending the pedestrian promenade from Capitol Mall to Neasham Circle adjacent to the Docks Hotel site. This funding will also provide the pedestrian undercrossing structure (to be constructed on the riverbank at river elevation) that will connect Old Sacramento to the Docks Waterfront. This investment should help to open up the waterfront. The potential also exists for more detailed planning and design of the area between Capitol Mall and O Street.

L. Temporary Boardwalk - 8th and J Streets \$ 80,000

Redevelopment of the J Street area from 8th to 9th streets will take time as we reissue the RFP for the 9th/J Street corner and are wrapping up negotiations on the 8th/J streets site. However, as part of our effort to support the revitalization activities in progress or completed around Plaza Park, we recommend construction of a temporary boardwalk on J Street between 8th and 9th streets. This will provide a construction fence with a graphic or mural, durable boardwalk, and traffic barricade. This should help secure and improve the visual appearance from the street of this very blighted block. Staff will require reimbursement for these costs through negotiations with property owners or the RFQ or Owner Participation Agreement process.

M. Housing and/or Cultural/Entertainment Facility  
subsidy in the Downtown District \$ 650,000

Funding to be used as a subsidy to establish a cultural/entertainment facility (e.g., construction subsidy or funds for design work as a part of a mixed-use project or acquisition/rehabilitation of an existing theater) or housing component in a mixed-use project.

N. Allocation for the Replacement of Crocker Art Museum  
HVAC (Harrold Wing) \$ 75,000

The Harrold Wing is a three-story annex of the Crocker Art Museum which houses the Special Collection Exhibit and the vault which stores works not on display. The HVAC unit for this wing is aged and in need of replacement. The replacement cost for this unit is \$275,000. The Crocker Art Museum needs an additional \$147,000 for the HVAC. This allocation will provide partial funding toward this project.

O. Historic Preservation Strategy Implementation \$ 400,000

This is a program which utilizes commercial rehabilitation loans and facade grants to preserve the buildings identified on the Agency's Historic Preservation Strategy. This project will provide funding for approximately 13 historic buildings of a total of 25 buildings recommended for improvements.

P. Historic Preservation of Mory's Place

\$ 400,000

Funds to assist in the relocation and rehabilitation of a historic victorian residence for use as a youth hostel. A youth hostel provides low-cost overnight accommodations and educational opportunities for people of all ages. Hostels provide occasion for cooperative living and intercultural exchange through the design of shared sleeping accommodations, kitchen, dining rooms, and common areas. In addition, the Sacramento hostel will also allow AYH, a non-profit public service organization, to provide educational and recreational programming for both its guests and the local community. AYH also provides Elderhostel, a program for senior citizens, and Hostel Adventure, a program for economically disadvantaged youth. The Youth Hostel expects to serve over 7,000 people per year, based on the experience of other AYH hostels. The Sacramento Hostel will attract guests from California, the United States, and around the world. Based on the experience of other hostels in Northern California, it is believed that the Sacramento Hostel will bring many international hostellers who are travelling around the United States, school groups from all over California, individuals and families, non-profit groups, students and senior citizens, all of whom will enjoy visiting the historic and cultural attractions in Sacramento, as well as providing additional patrons to frequent the K Street Mall, Downtown Plaza, and Old Sacramento retail and eating establishment. It is anticipated that the building will be used year round.

The current estimated cost of the project is \$1,859,840 to move and renovate Mory's Place. AYH has identified approximately \$1.6 million in possible funding: \$400,000 approved bank loan, \$700,000 from SHRA (\$300,000 recommended from Alkali Flat tax increment funds, and \$400,000 recommended from Downtown tax increment funds reprogrammed from the Docks project), \$100,000 from Sacramento County, and \$400,000 from other AYH sources, including anticipated fund raising. This leaves approximately \$259,840 in funding necessary to complete the project. Review of cost estimates for possible savings is underway to identify any opportunities to reduce the cost estimate down to the amount of the available budget.



OTHER ELIGIBLE PROJECTS  
NOT PROPOSED FOR FUNDING

Projects to be considered in the next (1996/97) TAB

Docks Area Promenade \$ 1,070,000

This project provides for extension of the pedestrian promenade from Neasham Circle to O Street and includes the design and construction of a grand plaza at the terminus of the promenade. The project consists of several segments listed below with their associated costs to complete the Docks promenade:

Left turn pocket at Capitol Mall	\$ 70,000
Promenade upgrade, Neasham Circle to O Street, and	\$ 700,000
O Street Plaza and Crocker Museum connector	\$ 300,000

Service Courts in Old Sacramento \$ 265,000

The development plan for Old Sacramento includes the construction of common court areas that would contain a structure for a trash compactor, recycling area, and rendering container. Currently staff is pursuing design and construction of these facilities through the formation of a property owner assessment district. If this approach is adopted, the Agency would be required to participate for the amount assessed to the five undeveloped parcels the Agency owns in Old Sacramento. The costs associated with participation for the five Agency-owned parcels is estimated at approximately \$265,000. If an assessment district is not formed and the Agency proceeds with construction of the service courts, construction cost could go as high as \$1 million.

Downtown Streetscape Implementation \$10,074,000

The streetscape study identifies 14 zones of improvements surrounding Downtown Plaza. Cost estimates for sidewalk and street paving, lighting, graphics and signage, and landscaping and street furnishings have been prepared for each of the zones, and appear below.

Old Sacramento Tunnel - interior portion	\$ 750,000
Indo Park	\$ 1,014,000
China Place <sup>1</sup>	\$ 826,000
Macy's Alley	\$ 302,000
J Street	\$ 1,991,000
L Street (4th to 7th)	\$ 1,997,000
Third Street (east side)	\$ 203,000
Fourth Street	\$ 464,000
Fifth Street	\$ 425,000
Sixth Street	\$ 358,000
Seventh Street (L Street to Capitol Mall)	\$ 286,000
Seventh Street (K Street to L Street)	\$ 1,125,000
Merchant's Alley	<u>\$ 333,000</u>
total	<u>\$10,074,000</u>

<sup>1</sup>This estimate provides for an at-grade crossing and improvements. A cost estimate for a suspended "catwalk" has not been prepared, however it would be considerably more expensive.

St. Rose of Lima Park Design

costs unknown

The City Parks Department is undertaking a revised park design for St. Rose of Lima Park. The ultimate park design has not been determined, and, therefore, cost estimates are not available.

Plaza Park Master Plan

costs unknown

The City Parks Department is undertaking a citizens outreach program to provide input to the master planning effort for Plaza Park. Park design has not been determined; cost estimates are not available.

Downtown Shuttle System

costs unknown

Funding for ongoing capital requirements and operating costs are presently being developed by the Shuttle Consultant.

Historic Preservation Strategy Implementation

\$ 290,000

The preservation study consultant has identified 25 historic buildings requiring remedial maintenance work or improvement. Initial funding recommended in this report will accomplish refurbishment work on approximately 13 of these buildings. The remaining 14 are estimated to require another \$ 290,000 for repairs/maintenance.

Esquire Theater Acquisition and Rehabilitation

\$10,000,000

Developer estimate for the acquisition and renovation of the Esquire theater to a small performance theater.

Restoration of Crest Theater (interior)

cost unknown

Public Market Acquisition and Restoration  
into Retail/Cultural Facility

cost unknown

Performing Arts

\$1,500,000

Funding to assist various cultural/entertainment groups in obtaining adequate facilities or operation space.

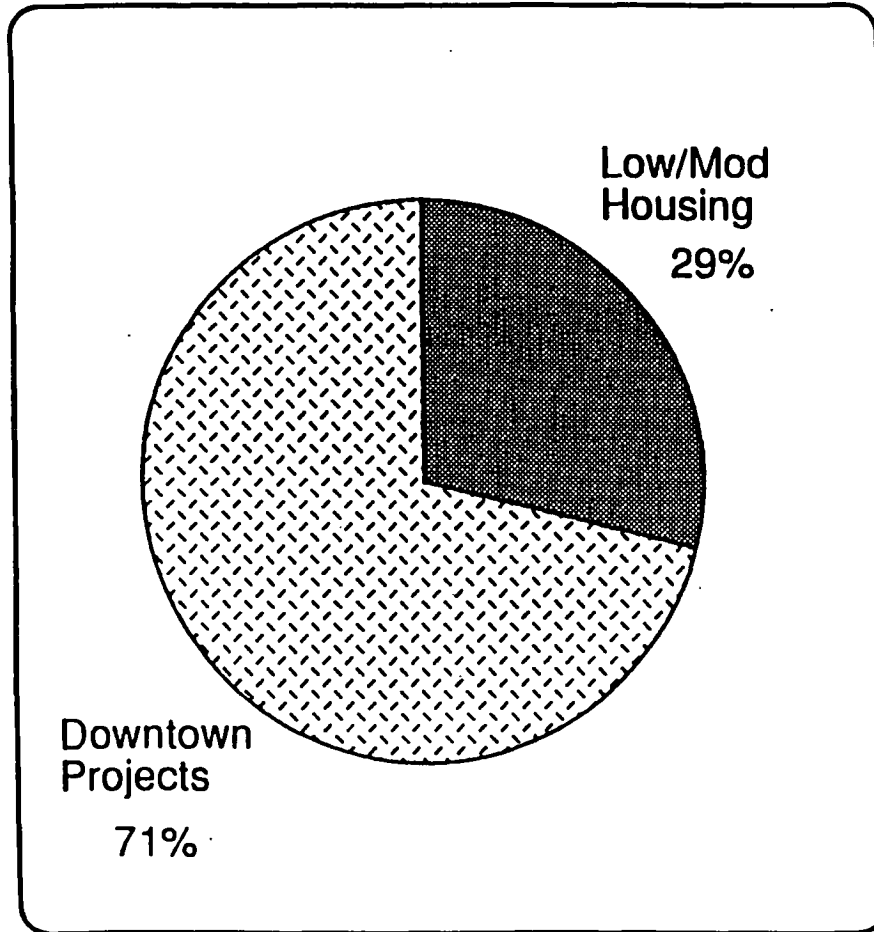
The Ferry Boat San Diego

\$ 334,000

To moor the ferry boat San Diego in the Sacramento waterfront area will require the purchase and modification of a barge to provide utility service to this restaurant attraction.

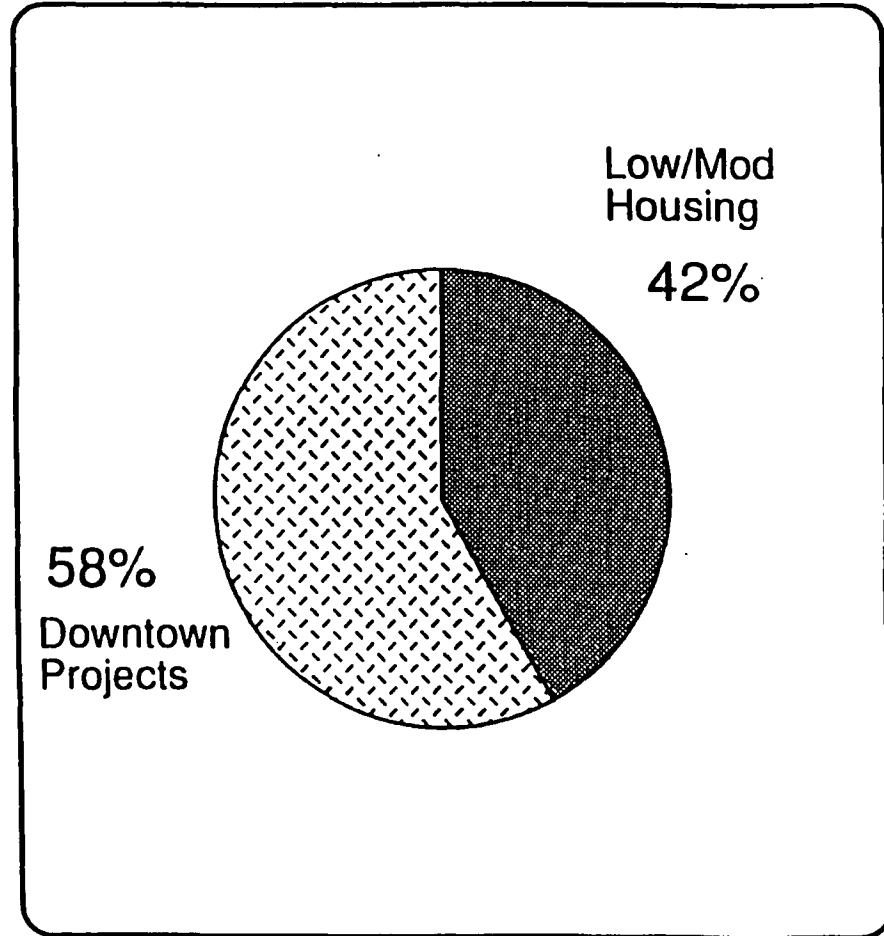
# 1989 COPs Proceeds

Projects	Funding Allocation	% of COP
Low/Mod Housing	\$ 4,000,000	29%
Downtown	\$ 9,862,000	71%
Total	\$ 13,862,000	100%

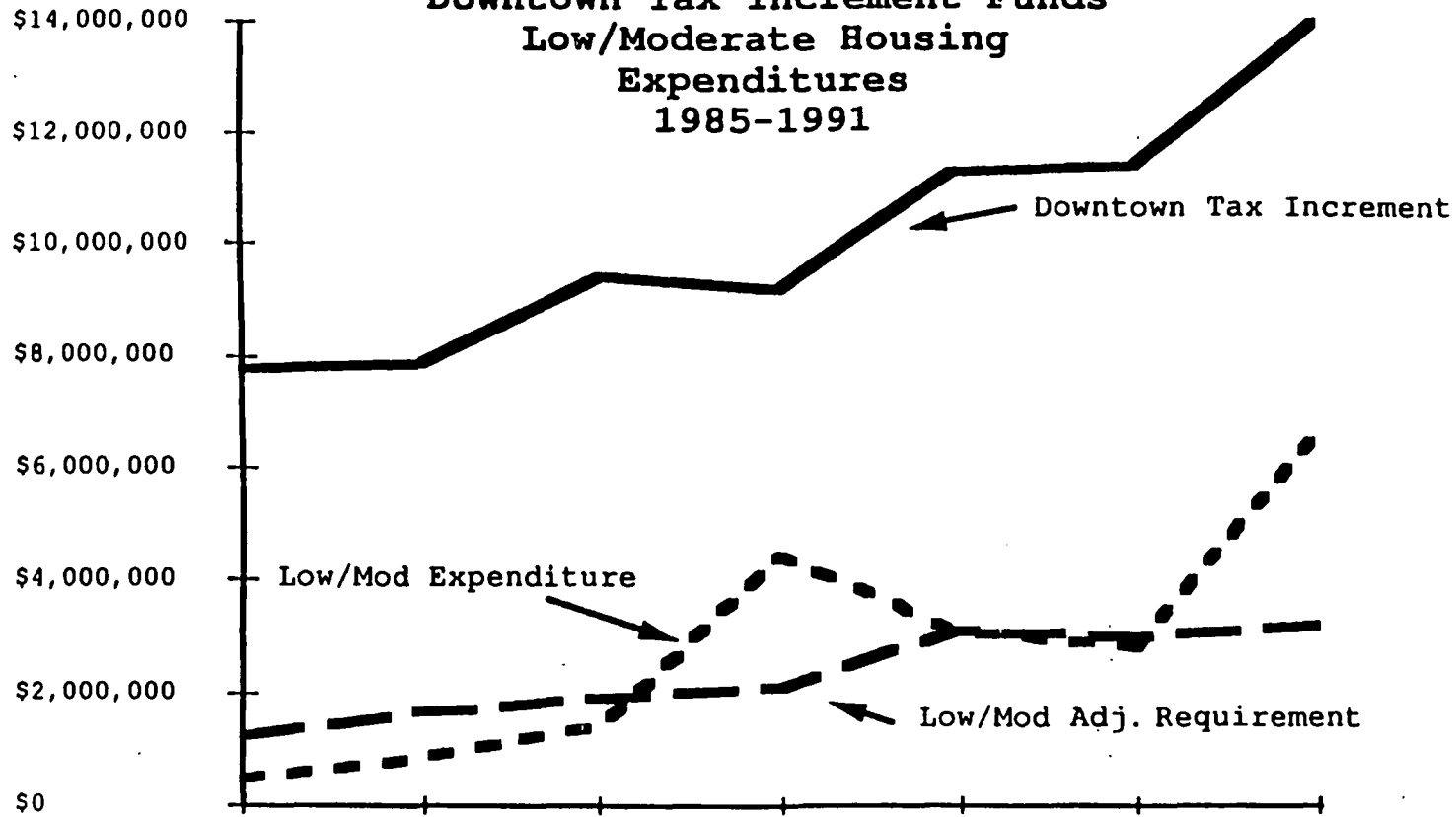


# 1990 TABS Proceeds

Projects	Funding Allocation	% of TAB
Low/Mod Housing	\$ 15,108,097	42%
Downtown	\$ 20,891,903	58%
Total	\$ 36,000,000	100%



**Downtown Tax Increment Funds  
Low/Moderate Housing  
Expenditures  
1985-1991**



	1985	1986	1987	1988	1989	1990	1991	Cumulative
Downtown Tax Increment	\$7,703,000	\$7,808,500	\$9,392,570	\$9,152,547	\$11,223,825	\$11,313,512	\$13,898,389	\$ 70,492,343
Low/Mod Adj. Requirement	\$1,210,040	\$1,644,400	\$1,905,460	\$2,091,305	\$3,100,553	\$2,995,492	\$3,161,212	\$ 16,108,462
% Requirement to Tax Increment	15.7%	21.0%	20.3%	22.8%	27.6%	26.5%	22.7%	22.8%
Low/Mod Expenditure	\$486,417	\$843,103	\$1,395,031	\$4,426,097	\$3,098,372	\$2,772,316	\$6,560,483	\$ 19,581,819
% to Tax Increment	6.3%	10.8%	14.9%	48.4%	27.6%	24.5%	47.2%	27.8%
Meets Low/Mod set aside requirement (including past deficiency)	No	No	No	Yes	No	No	Yes	Yes



**OLD  
SACRAMENTO**

Management Board  
917 Front Street  
Old Sacramento, CA 95814  
(916) 443-0877  
Fax (916) 443-0887

March 2, 1992

John Molloy  
Executive Director  
Sacramento Housing and Redevelopment Agency  
630 "I" Street  
Sacramento, CA 95814

Subject: Old Sacramento List of Project Needs

Dear John:

It is our understanding that Redevelopment funds which were allocated to the development of the hotel and the adjacent "docks" project on the south side of Capitol Mall at Front Street are now being considered for other projects. Since these funds were originally allocated to projects that would complete and enhance the waterfront area, the Old Sacramento Management Board feels that some, if not all of these funds, be used for high priority projects in and adjacent to Old Sacramento. The attached list of projects has no current funding source. This list totals an estimated cost of \$7,090,000.

A representative of the Old Sacramento Management Board will formally present this request at the SHRA Commission workshop scheduled for March 11th.

Very truly yours,

Dick Troy  
President, OSMB

**PROJECT**

**ESTIMATED COST**

1. **"K" Street Pedestrian Underpass Improvements** **\$1,000,000**  
This may be the most important unfunded project and should be completed and available when the DPP is completed. As a minimum, this project should involve: security lighting; signage; cleanliness/anti-graffiti and other items that will make this pedestrian connector useable.
  
2. **Service Courts (Total Cost: \$2,000,000)** **\$1,000,000**  
There are still seven (7) service courts to be completed. Voluntary participation on the part of the property owners is not readily available. SHRA funding could serve as matching funds so that once and for all, the service courts would be completed. There is the need to refine the development costs.
  
3. **OSMB Projects (e.g. street furniture; upgrading the appearance of vacant property; signage strategy; theme housings for newspaper racks; etc.)** **\$240,000**  
These projects would provide a better commercial and aesthetic environment. Some of these are one-time costs, however there is an on-going need for these types of projects.
  
4. **Mini-Parks (3)** **\$100,000**  
The improvement of three vacant development sites as mini-parks will provide the area with not only a better image and a more finished look, it will provide some creature comforts for the visitors to the historic area.
  
5. **Waterfront Commercial Building Tenant Improvements** **\$550,000**  
The waterfront building which is earmarked for a restaurant or some interim use is one of the most sorely needed projects, even more now than it was five years ago when it first became available.
  
6. **Downtown/Old Sacramento Shuttle** **\$1,000,000**  
There is a critical need, particularly, during the DPP construction for the shuttle system to move shoppers, visitors, office occupants, etc. around the downtown and into Old Sacramento.
  
7. **Waterfront Pedestrian Promenade: "L" Street to Capitol Mall** **\$500,000**  
**Capitol Mall to "O" Street** **\$1,200,000**  
This project was originally funded as part of the "docks" project. It is a riverfront improvement that is essential to the success of the "museum mile".
  
8. **Structural Stabilization and Historic Exterior of Ebner's Hotel** **\$1,500,000**  
Ebner's is the only structure in the historic area that is not stabilized and is without a completed historic facade. For safety purposes the building should be structurally stabilized and for cosmetic purposes, the exterior of the building should be completed. There is a complete set of architectural and structural plans available. These funds could be recouped from a developer upon the sale of this building and adjacent site.

TOTAL:

**\$7,090,000**

=====



Received in ED's Office

APR 14 1992

Sacramento Housing and  
Redevelopment Agency

Management Board  
917 Front Street  
Old Sacramento, CA 95814  
(916) 443-0877  
Fax (916) 443-0887

April 7, 1992

John Molloy  
Executive Director  
Sacramento Housing and Redevelopment Agency  
630 "I" Street  
Sacramento, CA 95814

Subject: Old Sacramento List of Project Needs

Dear John:

Thank you for the opportunity to meet with you and members of your Staff regarding the reallocation of the \$6.2 million previously earmarked for Old Sacramento and the Docks/hotel project.

The Old Sacramento Management Board continues to feel that the majority of these funds should be used for high priority projects in and adjacent to Old Sacramento. Since these are expected to be the only funds available for "projects" until the next tax increment bond issue (1996), it is important that the majority of funding go for completing as much of the Old Sacramento project as possible. The further completion of the historic project funded will enhance the financial and programmatic success of the historic district.

The following projects were agreed to by the SHRA Staff as early as the fall of 1991. These items have not yet been funded but continue to be supported by the SHRA Staff.

1.	Signage Program & Strategy: Implementation	\$10,000
2.	Joint Leasing Promotions (with Downtown)	10,000
3.	Old Sacramento Demographics: Update/Reprint	11,000
4.	Vacant Property Enhancement (Orleans/Enterprise)	10,000
5.	Streetscape Pilot Project: Implementation	7,500
6.	Property Marketing/Business Development	30,000
7.	Facade Enhancement Program	31,500
	<u>TOTAL</u>	<u>\$110,000</u>

Considering that there will be no additional "project" funding for Old Sacramento for the next four years (until 1996), there are additional "projects" which need funding and which the OSMB would implement. These projects total an additional \$180,000.

1. Street/Public Area "Furniture" \$ 45,000  
Most, if not all of these items are identified in the Old Sacramento Street Scenes and Street Activities report, by the Sacramento Museum and History Department, City of Sacramento, 1978.



2.	<b><u>Implementation Plan - 2000</u></b> There is no master plan for the development and operation of Old Sacramento. However, there are policies, plans, ordinances, etc. dating back to the early 1960's. These should be pulled together and coalesced into an implementation plan for the next decade of the development and operation of Old Sacramento.	20,000
3.	<b><u>Historic Interpretation: Implementation</u></b> Through programs and printed materials, this project would tell the history of the buildings and the streetscene for the visitors, shoppers, etc. The redevelopment plan, the original masterplan and the report listed in #1 would be the guiding documents for implementation.	25,000
4.	<b><u>Event Support Facilities and Equipment</u></b> There are many items used in the production of the many events and promotions that are needed in order for these events to be staged as quality events and with some degree of relationship to the historic setting.	35,000
5.	<b><u>Transportation Management Program</u></b> This would include consolidating all of the available information on the existing modes of travel and vehicle storage of the business owners, the retail employees, the office workers, the museum staff and docents, etc. and to develop an organized TMP, similar to those developed for major developments in the downtown area.	15,000
6.	<b><u>Vacant Property Enhancement</u></b> This would be a continuation of the program included in the initial request and would focus on the Firehouse Parking lot fencing along "L" and Front Street and on the Ebner/Empire Hotel site along "K" Street.	\$20,000
7.	<b><u>Historic Signage</u></b> There are numerous "historic" signs that are important parts of the streetscene and that do not identify existing businesses. The project elements have been identified in A Guideline for Signs, Old Sacramento Historic District, July 1983, by the City's Museum and History Department.	\$20,000
<b>TOTAL</b>		<b>\$ 180,000</b>

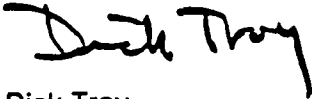
Hopefully you and your Staff can support these projects and recommend them for funding to the SHRA Commission and to the City Council.

Attached is the complete list of OSMB recommended projects. This list totals an estimated cost of (27)

\$7,090,000. As you can see, we recommend that the amount for the downtown shuttle be reduced to cover the additional \$180,000 needed for Old Sacramento. Since the \$1.0 million earmarked for the shuttle does not include any funding needed for shuttle equipment acquisition, it seems appropriate that this project be allocated \$820,000 instead. This is still a significant amount (13%) of all of the funding being reallocated..

A representative of the Old Sacramento Management Board will formally present this revised request at the SHRA Commission meeting scheduled for April 15th.

Very truly yours,

A handwritten signature in black ink that reads "Dick Troy". The signature is written in a cursive, slightly slanted style.

Dick Troy  
President, OSMB

Attachment

cc w/attachment  
Heather Fargo, OSMB Member/City Council Member  
Carl Amundsen, OSMB Member/SHRC Member

**PROJECT**

**ESTIMATED COST**

- 1. **"K" Street Pedestrian Underpass Improvements** **\$1,000,000**  
 This may be the most important unfunded project and should be completed and available when the DPP is completed. As a minimum, this project should involve: security lighting; signage; cleanliness/anti-graffiti and other items that will make this pedestrian connector useable.
  
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 There are still seven (7) service courts to be completed. Voluntary participation on the part of the property owners is not readily available. SHRA funding could serve as matching funds so that once and for all, the service courts would be completed. There is the need to refine the development costs.
  
- 3. **OSMB Projects** **\$290,000**  
 These projects would provide a better commercial and aesthetic environment. Some of these are one-time costs, however there is an on-going need for these types of projects.
  
- 4. **Mini-Parks (3)** **\$100,000**  
 The improvement of three vacant development sites as mini-parks will provide the area with not only a better image and a more finished look, it will provide some creature comforts for the visitors to the historic area.
  
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TOTAL:

**\$7,090,000**  
=====

# FERRYBOAT SAN DIEGO

1207 FRONT STREET, #14  
SACRAMENTO, CA 95814

(916) 552-2939 FAX (916) 552-2942

April 17, 1992

Ms. Mary Wray  
Sacramento Housing and Redevelopment Agency  
1013 7TH St., Suite 200  
Sacramento, California 95814

Dear Ms. Wray,

I presented preliminary information concerning Ferryboat "San Diego" project at the March 11, 1992 meeting of the Sacramento Housing and Redevelopment Commission. Since that time we have developed a specific plan for the docking of the ferryboat and prepared cost estimates. A drawing showing the proposed docking plan is attached as well as the cost estimate for the project.

The docking plan presented some unique engineering challenges in order to allow access to the vessel at the various water levels which could be encountered on the Sacramento River. We believe the plan depicted on the drawing is a sound plan and would solve this problem. In addition, the plan developed has several other features which greatly enhance its desirability. The plan as shown would provide public access to both the riverside walkways and to the docking float. The ramping system would be in complete accordance with the requirements of the Americans with Disabilities Act. The use of a "float" for the docking of the "San Diego" would also provide 600-800 lineal feet of public docking which would allow boaters to arrive at and visit Old Sacramento via their private boats. The design and construction would allow for the incorporation of the project into docking north to Old Sacramento and south along the "Docks" area.

Costs for the project are summarized in the attached cost estimate. The components of this project can be roughly divided into the "floating" and the "fixed" facilities. The costs associated with each component are about equal and the entire project would be amenable to a joint venture using public and private funds. We are prepared to provide private funds for part of this project. One possible approach would allow us to build a portion of the "floating" part of the project in exchange for forgiveness of all or part of the lease fees for some period of time.

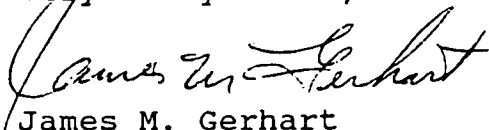
We have prepared an artists rendering of the vessel and the proposed site. A photograph of this rendering is also attached.

We firmly believe that this project has high merit and would be of overall benefit to the City of Sacramento and surrounding areas. Some of the benefits we see are:

1. This project would serve as a catalyst for the development and extension of Old Sacramento south of the Tower Bridge consistent with the General Plan for the "Docks" area.
2. It would provide public access to all individuals to the river and river walkways.
3. The project would provide 600-800 feet of additional boat docking with access to Old Sacramento allowing more visitors without additional automobile impact.
4. We estimate that the operation of the ferryboat will have gross sales in excess of ten million dollars during the first three years of operation. Since a large portion of this revenue would be derived from the tourism industry it would be new money into the local economy and would have the usual "ripple" effect. The operation would also produce \$750,000 in sales taxes along with other lease fees and taxes.
5. The operation of the ferryboat would create 100-150 new full and part time jobs. These jobs would cover a wide range of skill requirements and would provide entry level type employment for many individuals.

I hope this information will be useful for your staff considerations and I would extend an invitation to you, the members of your staff and the members of the Commission to visit the ferryboat for a first hand view of this unique facility.

Very Truly Yours,



James M. Gerhart  
President  
FERRYBOAT SAN DIEGO

30/WRAY

# Ferryboat **AUCTION**

By Order Of City Of Antioch, California

## San Diego Ferryboat



**NOVEMBER 1ST  
1991 • 10AM**

Preview: October 31st, 1991  
Or By Appointment

**Antioch, California**

Public Fishing Pier • Waldie Plaza

**ROSS DOVE**  
AUCTIONEER  
**COMPANY**

DOCKING FACILITIES FOR VESSEL SOUTH OF THE TOWER BRIDGE

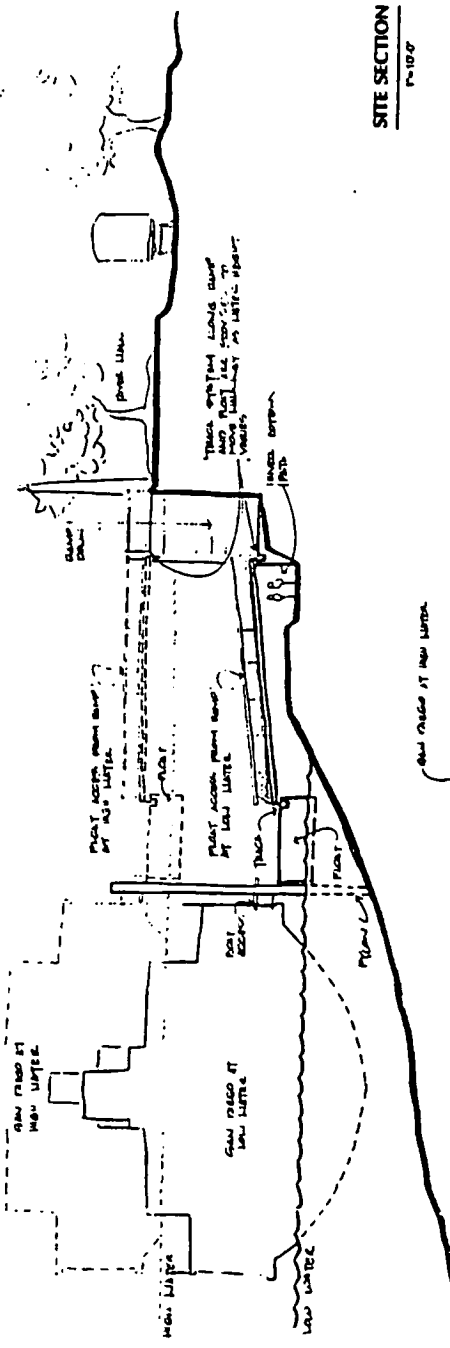
ESTIMATE OF PROBABLE CONSTRUCTION COST

April 22, 1992

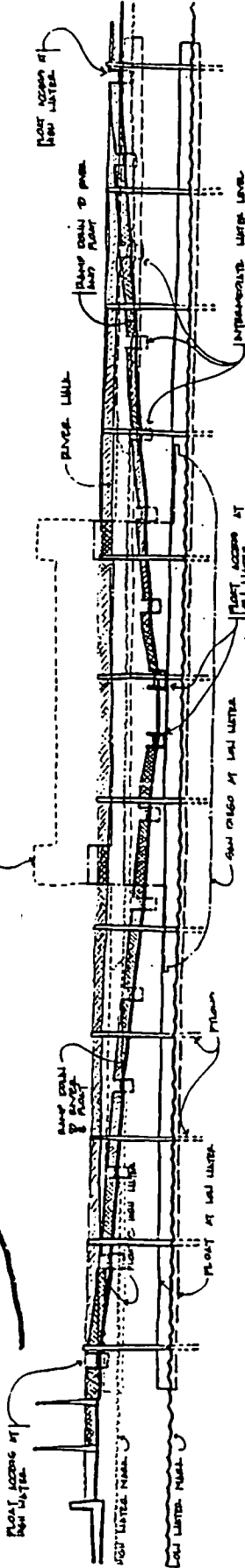
General Contractor's Field Expense 3 mo. @ \$10,000	\$ 30,000
Pylons 16 pylons, 75' long @ \$40/ft.	\$ 48,000
Float 16' wide x 520 x \$12/ft.	\$100,000
Bridges to Float 2 ea. @ \$25,000	\$ 50,000
Ramp 12' wide x 520 l.f. @ \$30/s.f.	\$187,200
Float Lighting 12 fixtures @ \$1,500	\$ 18,000
Utility Connection (Levy wall to vessel)	\$ 80,000
Misc.	\$ 11,200
<hr/> Sub-Total	\$524,400
Design Contingency @ 10%	52,440
	<hr/> \$576,840
General Contractor's Overhead, Profit @ Bond @ 15%	\$ 86,526
	<hr/> \$663,366
	USE \$664,000
	<hr/> <hr/>



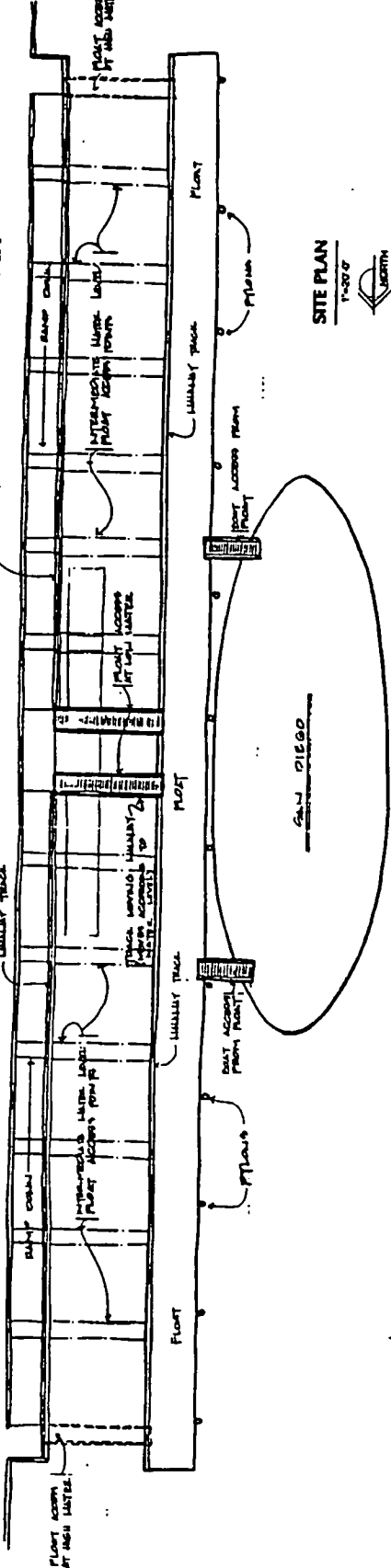
DATE: 8-11-48  
 PROJECT: ...  
 DRAWING NO: ...  
 SHEET NO: ...



**SITE SECTION**  
1"=10' 0"



**SITE ELEVATION**  
1"=20' 0"



**SITE PLAN**  
1"=30' 0"





# SACRAMENTO BALLET

2794 - 24TH STREET, SUITE 16 • SACRAMENTO, CA 95818 • (916) 736-2860

Ron Cunningham, Artistic Director

April 16, 1992

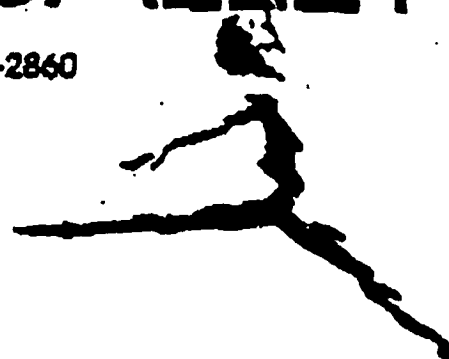
The Honorable Anne Rudin  
Mayor  
City of Sacramento  
City Hall  
915 I Street, Room 205  
Sacramento, CA 95814

Dear Mayor Rudin:

Sacramento Ballet has been undergoing a period of unprecedented growth and recognition in our community. In the last four years our audiences have almost quadrupled, our budget has almost tripled, and the number of professional dancers we employ has almost tripled as well. On April 28, the council will consider a plan proposed by the Redevelopment Agency that will fundamentally affect the future of our organization, and I would like the opportunity to meet with you in anticipation of your meeting to ask for your support.

Even with our growth and growing financial stability, we lack two vital elements for the future viability of Sacramento Ballet: a facility with adequate studios and offices for our work and a ballet school to provide dancers for the Company. Working through the Redevelopment Agency, we have identified a potential "Opportunity Site" for our future business location in downtown Sacramento. We have been in discussion for some time with Barbara Crockett-Gallo, founder of the Sacramento Ballet, regarding the possible merger of her school, The Crockett Dance Studio, and the Sacramento Ballet Association. The success of the possible merger depends on the Association's securing a location for the combined use of the Company and School.

I have asked Kathy Grindstaff, the Ballet's Office Manager, to call your office to arrange a time for us to meet regarding the Redevelopment Agency's Reprogramming of the Docks Downtown Funding. I realize that this is somewhat short notice, but events are moving very fast indeed for us. This is a critical opportunity which we may not have again.



HPK-17-1952 10:05AM

I look forward to speaking with you in the very near future.

Sincerely,

*Richard N. Frey*

Richard N. Frey  
President-Elect  
Sacramento Ballet Association

RF:kg

cc: Dennis Mangers, President  
Ron Cunningham, Artistic Director  
Ernest Phinney, Executive Director  
Kathy Grindstaff, Office Manager

# The Downtown District

Arts and Entertainment in Sacramento

Received in ED's Office

APR 27 1992

Sacramento Housing and  
Redevelopment Agency

April 20, 1992

John Molloy, Executive Director  
Sacramento Housing & Redevelopment Agency  
630 I Street  
Sacramento, CA 95814

RE: Reprogramming of "Docks" Funding

Dear Mr. Molloy:

There appear to be two items on the attached Sacramento Housing and Redevelopment Agency staff recommendation that are still under discussion, items K and O. Speaking for The Downtown District, Planning and Development Committee we feel the Docks Area Promenade and Tower Bridge Undercrossing are inappropriate expenditures at this point because the development of the area south of Capitol Mall is in question for the foreseeable future. We therefore suggest that 50% of item K be reallocated to item M (Housing and/or Cultural Facility) and the balance to Old Sacramento projects and other projects deemed priorities. Also, we feel that there will be minimal benefit from additional funding for Mory's Place, and suggest that item O be reallocated in the same fashion.

We thank you for your consideration of these recommendations.

Sincerely,



David Taylor  
Treasurer



717K Street  
Suite 308  
Sacramento  
CA 95814  
PHOTO 442 3575  
442 3575  
PUBLIC PRIVATE  
PARTNERSHIP  
SPONSOR RECEIVED  
THE CITY OF  
SACRAMENTO AND  
THE SACRAMENTO  
HOUSING AND  
REDEVELOPMENT  
AGENCY

# CHANNEL STAR EXCURSIONS, INC.

1207 FRONT ST., #18 SACRAMENTO, CA 95814  
(916) 441-6481

## FERRYBOAT "SAN DIEGO" FACTSHEET

Speaker: Brian M. Gerhart  
President  
CHANNEL STAR EXCURSIONS, INC.

**We request that the City reconsider the funding for Mory's Place and direct the funds to the Ferryboat "San Diego" project.**

Channel Star Excursions, Inc. (CSE) is the City Lessee operating the passenger tour boat "Spirit of Sacramento" under Commercial Tourboat Lease in Old Sacramento. We also operate the "Matthew McKinley" on charters out of Old Sacramento.

Since start of lease in 1987 CSE has exceeded the \$10,000/yr lease minimum every year. In 1991 lease payments were \$32,205.00, over 3 times the minimum.

CSE has increased its passenger capacity by over 300% (from 150 to 500 passengers). In 1991 alone, approximately 60,000 guests enjoyed our cruises and the Old Sacramento area.

Employment at CSE for full and part time employees has increased from 18 person in 1987 to 80-85 per year today.

CSE estimates 350K in cost to construct shoreside access facilities to the "San Diego" moorage. CSE will participate with own capital to construct the floating portion of facilities and utility connections.

CSE projects 10 million in sales in first 3 years, from restaurant and banquet facilities, representing over \$750,000 in sales taxes alone.

CSE projects 125-150 full & part time jobs generated by the operation of "San Diego". Many of these positions will be entry level available to minorities and women.

Our project is consistent with the general plan for Docks Area Development tying into the Promenade and making the Docks hotel site more attractive for lease, use.

Old Sacramento Merchants Association and the Management Board both support the project as a boost to Old Sacramento and particularly the underdeveloped south end of Old Sacramento. Additionally, Sacramento Convention & Visitors Bureau are very supportive and view the project as a selling tool for Sacramento conventions.

This is an excellent opportunity for public/private venture to spur economic activity in the Downtown and Old Sacramento area by reprogramming funding and investing in the "San Diego" project.



*Luxurious Riverboat Dining & Cruising*



SACRAMENTO HOSTEL PROJECT - SOURCES & USES OF FUNDS

9.2

PROJECT BUDGET

BUILDING RELOCATION	\$115,000	
CONSTRUCTION COSTS	1,263,899	
TENANT IMPROVEMENTS/EQUIP'T	65,117	
ARCHITECTURAL/ENGINEERING	104,062	
OTHER INDIRECT COSTS	146,117	
FINANCING	16,000	
TOTAL ESTIMATED COSTS		\$1,710,195
CONTINGENCY	\$149,646	
TOTAL BUDGET W/CONTINGENCY		\$1,859,841

SOURCES OF FUNDS IN HAND OR COMMITTED

RESTRICTED PROJECT CONTRIBUTIONS		\$128,500
County of Sacramento TOT	\$100,000	
Security Pacific Foundation	7,500	
Teichert Foundation	5,000	
Project Contributions	16,000	
FUNDRAISERS & SPECIAL EVENTS		\$43,700
AYH CASH & UNREST'D DONATIONS		\$322,000
Unrestricted Donations	\$72,000	
Hostel Dev't Fund	250,000	
PROJECT FINANCING		\$400,000
Security Pacific Loan	\$400,000	
TOTAL AVAILABLE		\$894,200
FUNDING GAP		\$965,641

POTENTIAL SOURCES OF ADD'L FUNDS

SHRA - Alkali Flat Funds	\$300,000
SHRA - Docks Proj Funds	400,000
Kresge Foundation	200,000
Grants & Contributions	35,000
Great S.F. Bike Adventure (92 & 93)	28,000
Mansion rentals	3,000

TOTAL \$966,000

AYH HAS RAISED \$142,200 FOR THE PROJECT, AND HAS COMMITTED \$380,000 OF ITS OWN FUNDS + REPAYMENT OF THE \$400,000 LOAN PLUS INTEREST. AYH'S TOTAL CONTRIB'N OF CASH, LOAN AND RAISED FUNDS = \$922,200 + INTEREST.