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LLOYD G. CONNELLY  
COUNCILMAN, DISTRICT 6  
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(916) 449-5409  
  
RESIDENCE  
4140 - 62ND STREET  
SACRAMENTO, CALIFORNIA 95820  
(916) 455-8950

*Gen Comm.*

May 13, 1980

Lorraine Magana  
City Clerk

Dear Lorraine;

Just a brief note to request that this May 6, 1980 letter from SACTO be formally placed on the agenda and referred to the Budget and Finance Committee for review.

Thank you for your assistance.

Cordially,

Lloyd G. Connelly  
City Councilman  
District 6

LGC:md

cc: Allen Ewen

Attachment

*5/30/80 agenda*

APPROVED  
BY THE CITY COUNCIL

MAY 20 1980

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Sacramento Area Commerce and Trade Organization  
917 7th Street • P.O. Box 1132, Sacramento, California 95805 • (916) 441-2144

May 6, 1980

Sacramento City Council  
City of Sacramento  
City Hall, 915 I Street  
Sacramento, CA 95814

Members in Session:

The purpose of this letter is to request that the Sacramento City Council give consideration to an investment of \$40,000 in the work of the Sacramento Area Commerce and Trade Organization (SACTO) during fiscal year July 1, 1980, to June 30, 1981.

It is well known to the members of the Council that the new job and new company stimulus in which SACTO has participated these past five years has been both measurable and significant. The organization has played a definitive role in the business decisions which have encouraged 70 companies to locate in this region during that time. These firms presently represent a total of over 12,000 new jobs projected by 1985. These figures would be greatly amplified by any recognition of secondary and tertiary jobs which are known to stem from the creation of primary positions. The total estimated positive economic value is, therefore, quite consequential. It can be said with good reason that this job impact has been making a noticeable contribution to the area's trade and commerce.

SACTO submits herewith two possible plans for its financial operations next year. Plan A anticipates a total budget of \$168,508. This is promulgated on the basis of the income tax initiative known as Proposition 9 not being approved by the voters in the June state election. Alternately, should this initiative be approved, Plan B has been established with a total budget of \$156,698. This dual approach was adopted by SACTO's Board of Directors at its regular meeting on March 3, 1980.

At the present time it is not known at what level the County of Sacramento will continue to invest in the SACTO program during fiscal year 1980-1981. It should be noted that we are making a strong effort to encourage the County of Placer to contribute some financial underwriting for the next fiscal year. We do not know at this time whether such an attempt will be successful.

We are continuing to improve our basic financial position through the attraction of private capital. While this process has been difficult and slow, it has, nonetheless, shown a steady upward trend. We expect this to continue.

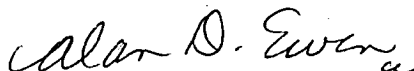
Sacramento City Council

May 6, 1980

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The work of industrial recruitment has become increasingly competitive. At a time when new job creation is becoming fundamentally more important in every large metropolitan region of the nation, we do feel that SACTO is engaged in a special effort. Indeed, it is an activity not so projected by any other unit in the greater Sacramento community. Its mission does have a certain a priori to it, and we respectfully request that you consider the extent of your investment in this light.

Yours sincerely,



Alan D. Ewen  
Executive Director

ADE:drw

Enclosure

SACRAMENTO AREA COMMERCE AND TRADE ORGANIZATION (SACTO)

Revenue and Expense Budget

July 1, 1980 - June 30, 1981

	<u>PLAN A<sup>(1)</sup></u>	<u>PLAN B<sup>(1)</sup></u>
REVENUE:		
1979/80 Revenue over Expense	\$ 30,665	\$ 30,665
1979/80 City Pledge Balance	10,000	10,000
1979/80 Estimated additional Private Sector Pledges	<u>10,000</u>	<u>10,000</u>
Balance forward, July 1, 1980	\$ 50,665	\$ 50,665
Cash Receipts 1980/81:		
Private Sector Pledges	\$ 57,843	\$ 106,033 <sup>(2)</sup>
City of Sacramento	30,000	-0-
County of Sacramento	<u>30,000</u>	<u>-0-</u>
Total Receipts	<u>117,843</u>	<u>106,033</u>
Total Revenue	<u>\$ 168,508</u>	<u>\$ 156,698</u>
EXPENSE:		
Administrative Expense	\$ 114,683	\$ 114,683
Program Expense	<u>53,825</u>	<u>42,015</u>
Total Expense	<u>\$ 168,508</u>	<u>\$ 156,698</u>

<sup>1</sup> Budget Plan A would be applicable if Proposition 9 is not approved by the voters in the June 3, 1980, State election. Plan B would be applicable in the event Proposition 9 is approved by the voters in this election.

<sup>2</sup> This figure consists of \$57,843 in firm pledges. The balance of \$48,190 represents the minimum new pledge value to be achieved in order to have a minimum essential budget.