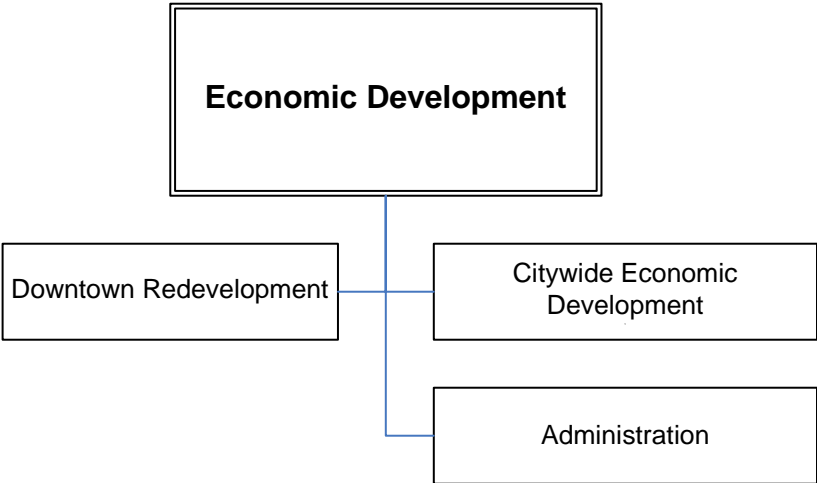


# 13

## **SECTION – 13**

## **ECONOMIC DEVELOPMENT**





**ECONOMIC DEVELOPMENT**

*Building On Our History - Creating The Place To Be*

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## DESCRIPTION

The role of the **Economic Development Department** is two-fold. The Department markets, facilitates and financially assists targeted private investment and development within the City of Sacramento, and seeks redevelopment opportunities that will revitalize the Merged Downtown and Richards Boulevard Redevelopment Project Areas. To accomplish this, there are two divisions within Economic Development, the Citywide Development Group and the Downtown Development Group.

**The Citywide Development Group** is focused upon development outside of Downtown Sacramento, and their focus includes:

- Business Recruitment
- Business Retention and Expansion
- Revitalization of Targeted Commercial Corridors
- Economic Development Policy
- Development Opportunity Project Management

**The Downtown Development Group** focuses on the redevelopment and revitalization of the Downtown Sacramento and Richards Boulevard project areas. Specific areas of focus include:

- The Sacramento River waterfront
- Downtown market-rate housing
- New hotel development to support tourism and the Sacramento Convention Center
- Retail, entertainment, and cultural arts facilities
- New commercial and office projects
- Public area beautification

## MORE INFORMATION

For more information about the Economic Development Department:

Web site - <http://www.cityofsacramento.org/econdev>

Other Economic Development web-based Information - [http:// www.sacsites.com/](http://www.sacsites.com/)

### Key Contacts –

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**Administrative Officer**  
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### **OBJECTIVES FOR FY2007/08**

- Implement new Economic Development Strategy.
- Facilitate the construction of the following projects:
  - US Bank Plaza
  - The Aura
  - The Towers
  - Old Sacramento Lords-Magnolia redevelopment site
  - Old Sacramento Ebner-Empire redevelopment site
  - Old Sacramento Orleans redevelopment site
  - 10<sup>th</sup> and K Street Cabaret Restaurant
  - Citizen Hotel
  - K Street Streetscape
- Implement development of the following sites:
  - Fulton Ave/Del Paso Park
  - Jibboom Street Power Station
  - The Docks
  - River District
- Initiate rehabilitation of 700 K Street block, transforming it into a destination retail district.
- Continue working with Westfield Shoppingtown on transformation of Downtown Plaza.
- Continue implementation of the Docks Area Plan.
- Continue implementation of the 2005 Merged Downtown Redevelopment Area Plan.
- Facilitate the completion of entitlements for Continental Plaza Phase IV and Township 9.
- Leverage Downtown Revitalization Corporation.
- Create new non-profit development corporation.
- Transition marketing of the Enterprise Zone Program into Economic Development Department.
- Assist in the formation of a Midtown and Broadway Property and Business Improvement District.
- Pursue designation of a Broadway Redevelopment Area.
- Complete wireless network (WiFi) negotiations and implement Phase I in Central Business District.
- Increase opportunities for new and existing small business owners.
- Implement MetroPulse Business Retention Enterprise program with outreach to over 250 businesses.

### **ACCOMPLISHMENTS IN FY2006/07**

#### **Merged Downtown Redevelopment Project Area**

- Completed Old Sacramento's Ebner/Empire and Orleans site Owner Participation Agreement (OPA).
  - Completed construction on the Old Sears Building at 12th & K Streets (Cathedral Building).
  - Completed rehabilitation of the Elks Building now occupied by the world renowned McCormick and Schmick's restaurant located at 1111 J Street.
-

- Completed rehabilitation of the Sun Building now occupied by the popular Three Monkeys restaurant located at 717 K Street.
- Commenced construction of the U.S. Bank Plaza Building.
- Completed OPA and initiated rehabilitation of 926 J Street as Citizen Hotel.
- Completed Disposition/Development Agreement (DDA)/OPAs for cabaret restaurant located at 10<sup>th</sup> and K Street.
- Completed DDA/OPA for the highly anticipated Aura residential/retail project.
- Completed key acquisitions on the 700/800 K street blocks and completed OPA with Zeiden Properties LLC for renovation of the 700 K Street block properties transforming into destination retail district.
- Completed community process of Docks Planning Effort.
- Issued Notice of Funding Availability for renovation and/or development of new single room occupancy type residential hotels.

#### **Richards Boulevard Redevelopment Project Area**

- Negotiated purchase and sale agreement with Thomas Enterprises for the historic rail depot and surrounding property.
- Negotiated Track Relocation Agreement with Thomas Enterprises to relocate the main rail line and passenger platforms for the first phase of the Sacramento Valley Station Intermodal project.
- Facilitated transfer of ownership of the Union Pacific Railyards from the railroad to Thomas Enterprises.
- Negotiated Exclusive Right to Negotiate for development of a mixed-use project in the vicinity of North 7<sup>th</sup> Street and Richards Blvd.
- Completed the River District Vision Marketing Brochure with River District staff.

#### **Citywide Economic Development**

- Assisted in attracting the following businesses:
    - Hartung Glass Industries
    - Kitchen Academy
    - International Academy of Design and Technology
    - GeoEngineers Inc.
    - Pacific Ethanol Inc.
    - Sun Technics Energy Systems Inc.
    - The Art Institute
  - Facilitated expansion of Composite Engineering Inc., securing 250 jobs and \$200 million contract with U.S. Air Force.
  - Successful retention and relocation of Alta Plating and Elmers Portable Welding, securing over 60 jobs.
  - Facilitated the opening of Universal Technical Institute (UTI) School, which has 225 jobs and an annual student enrollment of 2,000.
  - Completed all Fulton Ave/Del Paso Park development site entitlements and Environmental Impact Report (EIR).
  - Created ad campaigns featuring Sacramento businesses.
-

- Completed two small business resource guides.
- Sponsored the following events featuring our business partners:
  - Florin Road Partnership BINGO
  - Power Inn Dinner at the Dump
  - SACTO Salute to New Industry
  - Metro Chamber Regional Economic Forum
  - Business Journal Economic Forecast
  - BizLink Business Expo

**PROPOSED BUDGET/STAFFING CHANGES**

Organizational Changes

None

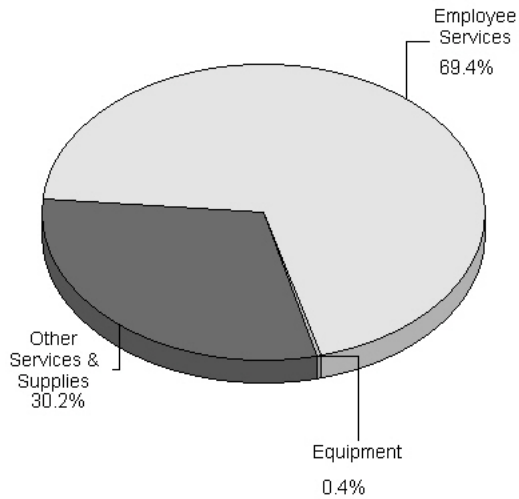
Augmentations

None

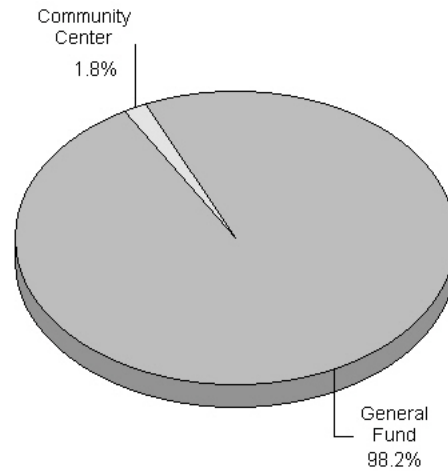
Department Budget Summary

<b>Economic Development Department</b> Budget Summary	FY 2005/06 Actual	FY 2006/07 Approved	FY 2006/07 Amended	FY 2007/08 Proposed	Change More/(Less) Proposed/Amended
Positions (FTE)	17.00	17.00	17.00	17.00	0.00
<b>Budgeted Expenditures</b>					
Employee Services	1,865,246	1,989,425	1,989,425	2,006,487	17,062
Equipment	11,000	11,000	11,000	11,000	0
Other Services & Supplies	939,909	873,473	873,473	873,556	83
Total:	<b>2,816,155</b>	<b>2,873,898</b>	<b>2,873,898</b>	<b>2,891,043</b>	<b>17,145</b>
<b>Funding Summary by Fund/Special District</b>					
Community Center	52,000	52,000	52,000	52,000	0
General Fund	2,764,155	2,821,898	2,821,898	2,839,043	17,145
Total:	<b>2,816,155</b>	<b>2,873,898</b>	<b>2,873,898</b>	<b>2,891,043</b>	<b>17,145</b>

**Budgeted Expenditures - FY08**



**Funding Summary - FY08**



**Division Budget Summary**

<b>Economic Development Department</b> Division Budgets	FY 2005/06 Actual	FY 2006/07 Approved	FY 2006/07 Amended	FY 2007/08 Proposed	Change More/(Less) Proposed/Amended
Economic Development Admin	2,816,155	2,873,898	2,873,898	2,891,043	17,145
<b>Total:</b>	<b>2,816,155</b>	<b>2,873,898</b>	<b>2,873,898</b>	<b>2,891,043</b>	<b>17,145</b>

**Staffing Levels**

<b>Economic Development Department</b> Division FTEs	FY 2005/06 Actual	FY 2006/07 Approved	FY 2006/07 Amended	FY 2007/08 Proposed	Change More/(Less) Proposed/Amended
Economic Development Admin	17.00	17.00	17.00	17.00	0.00
<b>Total:</b>	<b>17.00</b>	<b>17.00</b>	<b>17.00</b>	<b>17.00</b>	<b>0.00</b>

Performance Trend Measures

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**Activity: Business Assistance**

Type of Measure: Demand

<u>FY 03/04</u>	<u>FY 04/05</u>	<u>FY 05/06</u>	<u>FY 06/07</u>	<u>FY 07/08</u>
-	-	240	360	540

Measure: Contacts

Baseline Measure: 380

Service Level Standard: TBD

Definition: The total number of contacts for business assistance.

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Type of Measure: Output

<u>FY 03/04</u>	<u>FY 04/05</u>	<u>FY 05/06</u>	<u>FY 06/07</u>	<u>FY 07/08</u>
-	-	240	360	540

Measure: Responses

Baseline Measure: 380

Service Level Standard: TBD

Definition: The total number of businesses receiving resource information.

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FY2007/08 Proposed Budget

**Activity: Downtown Projects**

Type of Measure: Demand

	FY 03/04	FY 04/05	FY 05/06	FY 06/07	FY 07/08
	-	11	16	20	25

Measure: Requests for Project Assistance

Baseline Measure: 15.66

Service Level Standard: TBD

Definition: The total number of contacts for economic development assistance.

Type of Measure: Output

	FY 03/04	FY 04/05	FY 05/06	FY 06/07	FY 07/08
	-	3	6	10	14

Measure: Eligible Projects to Council for Approval

Baseline Measure: 6.33

Service Level Standard: TBD

Definition: The total number of staff reports sent to City Council.

Type of Measure: Efficiency

	FY 03/04	FY 04/05	FY 05/06	FY 06/07	FY 07/08
	-	3	5	6	9

Measure: Eligible Projects Approved by Council

Baseline Measure: 5

Service Level Standard: TBD

Definition: The total number of eligible projects approved by City Council.

Type of Measure: Outcome

	FY 03/04	FY 04/05	FY 05/06	FY 06/07	FY 07/08
	-	-	1	7	5

Measure: Completed Construction Projects

Baseline Measure: 1.33

Service Level Standard: TBD

Definition: The number of projects completed as described in staff reports to City Council.