

13

SECTION – 13

ECONOMIC DEVELOPMENT

Building On Our History - Creating The Place To Be

DESCRIPTION

The role of the **Economic Development Department** is twofold. 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: Citywide Development and Downtown Development.

Citywide Development is focused on development outside the Downtown Sacramento core. The focus includes:

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

Downtown Development focuses on redevelopment and revitalization of the Downtown Sacramento core including the Richards Boulevard project areas and Railyards. Specific areas of focus include:

- The Sacramento River waterfront
- Downtown market-rate housing
- Railyards development
- 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 Information - <http://www.sacsites.com/>

PROGRAMS/SERVICE HIGHLIGHTS

The Economic Development Department will continue to implement the key components of the Council adopted Economic Development Strategy. The department will target commercial corridors including retail, small business, and clean and green energy industries for business retention, recruitment and expansion to stimulate the local economy.

OBJECTIVES FOR FY2008/09

Downtown Development

- Begin construction of Phase 1 of the Riverfront Promenade in the Docks area.
- Construct Phase 1 of the K Street Streetscape.
- Renovate St. Rose of Lima Park.
- Complete construction of 10th/K Cabaret/Restaurant project.
- Finish construction of Citizens Hotel at 926 J Street.
- Initiate rehabilitation of 700 K Street block, transforming into a destination retail district.
- Undertake redevelopment of 1012-22 K Street.
- Relocate Greyhound facility.
- Initiate fee deferral program to stimulate development projects in the Downtown.
- Complete negotiations for an additional downtown hotel.
- Undertake three new residential projects.
- Launch Downtown J-K-L Street Window Graphic Program.
- Initiate redevelopment of the Marshall Hotel.

Railyards Development

- Complete conceptual design/negotiate business terms for 5th/6th Street Parking Garage.
- Work with River District/Railyards and City staff to revise impact fee program.
- Promote Railyards opportunities as part of the overall City Economic Development effort.

Citywide Economic Development

- Meet with 100 local businesses as part of City's Business Retention Program.
- Conduct two "Business Walks" with local business associations.
- Conduct two Council district tours.
- Participate in the annual International Council of Shopping Centers Spring Convention and recruit property owners, developers and retailers to the Sacramento region.
- Identify projects for the Sacramento Employment and Economic Development Corporation that will help stimulate the economy.
- Assist with development projects and opportunities at Cal Expo.
- Assist with development projects and opportunities at Granite Regional Park.
- Participate in regional small business outreach events.

APPROVED BUDGET/STAFFING CHANGES

Service Level Impacts

The Economic Development Department will be reduced by \$324,000, including the unfunding of 2.0 FTE Senior Project Manager positions and a reduction in consulting services. These reductions will result in the following service level impacts:

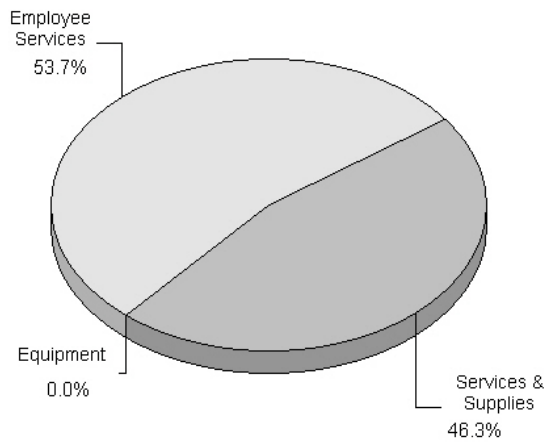
Citywide Economic Development

- Delay in developing:
 - 65th Street and Power Inn Opportunity Area
 - Cal Expo/Point West Opportunity Area
 - Raley Boulevard Industrial Project Area
- Discontinued/reduced levels of partnership with non-profit regional partners that provide business retention and attraction services.

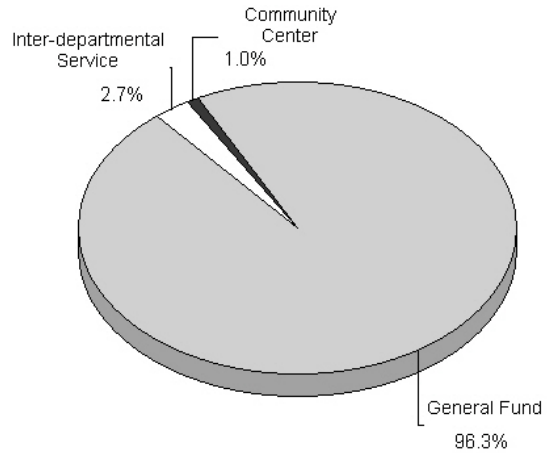
Department Budget Summary

Economic Development Department Budget Summary	FY 2006/07 Actual	FY 2007/08 Approved Amended		FY 2008/09 Approved	Change More/(Less) Approved/Amended
Positions (FTE)	17.00	24.00	24.00	27.00	3.00
Budgeted Expenditures					
Employee Services	1,998,725	2,636,487	2,693,497	2,860,172	166,675
Services & Supplies	843,687	2,428,927	2,428,927	2,466,364	37,437
Equipment	11,000	1,000	1,000	1,000	0
Total:	2,853,412	5,066,414	5,123,424	5,327,536	204,112
Funding Summary by Fund/Special District					
Community Center	52,000	52,000	52,000	52,000	0
General Fund	2,801,412	5,014,414	5,071,424	5,132,140	60,716
Inter-departmental Service	0	0	0	143,396	143,396
Total:	2,853,412	5,066,414	5,123,424	5,327,536	204,112

Budgeted Expenditures - FY09



Funding Summary - FY09



Division Budget Summary

Economic Development Department

Division Budgets	FY 2006/07 Actual	FY 2007/08 Approved	FY 2007/08 Amended	FY 2008/09 Approved	Change More/(Less) Approved/Amended
Economic Development Admin	333,834	1,432,630	1,493,694	1,467,656	(26,038)
Downtown Development	1,407,338	1,574,001	1,571,859	1,634,763	62,904
Citywide Development	1,112,240	2,059,783	2,057,871	2,225,117	167,246
Total:	2,853,412	5,066,414	5,123,424	5,327,536	204,112

Staffing Levels

Economic Development Department

Division FTEs	FY 2006/07 Actual	FY 2007/08 Approved	FY 2007/08 Amended	FY 2008/09 Approved	Change More/(Less) Approved/Amended
Economic Development Admin	2.00	2.00	2.00	2.00	0.00
Downtown Development	8.00	9.00	9.00	9.00	0.00
Citywide Development	7.00	13.00	13.00	16.00	3.00
Total:	17.00	24.00	24.00	27.00	3.00