

MINUTES
OF THE
SACRAMENTO CITY COUNCIL
REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO
HOUSING AUTHORITY OF THE CITY OF SACRAMENTO
ECONOMIC DEVELOPMENT COMMISSION
PARKING AUTHORITY OF THE CITY OF SACRAMENTO
SACRAMENTO CITY FINANCING AUTHORITY

REGULAR MEETING

April 1, 1997

CALL TO ORDER

The Regular Meeting of the Sacramento City Council was called to order by Mayor Serna at 2:05 p.m. on the above date in the City Council Chamber located at 915 I Street.

ROLL CALL

Present: Councilmembers Cohn, Kerth, Hammond, Waters, Pannell, Steinberg, Yee and Mayor Serna

Absent: Councilmember Fargo

1.0 CONSENT CALENDAR (Items 1.1 through 1.11)

A motion was made by Councilmember Pannell, seconded by Councilmember Waters, to waive the reading and adopt the Consent Calendar, Items 1.1 through 1.11. The motion carried with an 8-0 vote, with Councilmember Fargo being absent.

Public Review Items - Informational Only

None

Sacramento Housing and Redevelopment

None

City Council

- 1.1 1997 Sacramento Cultural Arts Awards Program: (D-All)
- A. Approve allocation of funds to 52 non-profit organizations for a total of \$464,830;
 - B. Approve allocation of 1997 Community Enhancement Grants to 9 Cultural Arts Award grantees for a total of \$15,000;
 - C. Authorize agreement with the County to transfer \$149,831 for Regranting purposes;
 - D. Approve modification of the Cultural Arts Awards Program Policy limiting each organization to one application per year beginning in 1998
-

Adopted (A-C) Resolution 97-156 approving Agreement 97-034; (D) adopted staff recommendation.

RESOLUTION NO. 97-156

RESOLUTION APPROVING ALLOCATION OF 1997 SACRAMENTO CULTURAL ARTS AWARDS PROGRAM FUNDS TO 52 NON-PROFIT ORGANIZATIONS AND APPROVAL OF TRANSFER OF \$149,831 TO COUNTY FOR REGRANTING PURPOSES.

- 1.2 Revisions to Arts Commission's Conflict of Interest Policy. (D-All)
-

Adopted Resolution 97-157.

RESOLUTION NO. 97-157

REVISIONS TO THE CONFLICT OF INTEREST POLICY OF THE ARTS COMMISSION

- 1.3 Lease agreement with Sterling Parking, Incorporated, for a parking lot, located to the rear of 625 H Street. (D-1)
-

Adopted Resolution 97-158 approving Agreement 97-035.

RESOLUTION NO. 97-158

RESOLUTION AUTHORIZING EXECUTION OF LEASE AGREEMENT WITH STERLING PARKING, INC. FOR PARKING TO THE REAR OF 625 H STREET

- 1.4 Approval of parcel map entitled "Woodlake Business Park", located south of Canterbury Road and Highway 160 (P95-121). (D-2)
-

Continued to April 15, 1997 [staff].

- 1.5 Approval of 1997 Transportation Programming Guide. (D-All)
-

Adopted staff recommendation.

- 1.6 Approval of a professional and consultant services agreement with Ross Campbell, Incorporated, for the promotion of used oil recycling in an amount not to exceed \$102,945.00. (D-All)
-

Adopted Resolution 97-159 approving Agreement 97-036.

RESOLUTION NO. 97-159

RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A CONSULTANT AND PROFESSIONAL SERVICES AGREEMENT WITH ROSS CAMPBELL, INC. IN THE AMOUNT OF \$102,945

- 1.7 Sump 151 Improvements (PN:WF76), located near the Radisson Hotel off Highway 160 - Approval of the Negative Declaration, adoption of the Mitigation Reporting Plan, and award contract to Rutherford & Smith Construction, Inc., for an amount not to exceed \$1,722,000.00 (D-2)
-

Adopted Resolution 97-160 awarding Contract 97-023.

RESOLUTION NO. 97-160

A RESOLUTION APPROVING THE NEGATIVE DECLARATION, ADOPTING THE MITIGATION REPORTING PLAN AND AWARDING CONTRACT TO RUTHERFORD AND SMITH CONSTRUCTION, INC., FOR SUMP 151 IMPROVEMENTS (PN:WF76) FOR AN AMOUNT NOT TO EXCEED \$1,722,000.00

- 1.8 Amend FY 1996-97 Capital Improvement Program adding E A Fairbairn Water Treatment Plant Expansion (PN:ZF41), E A Fairbairn Water Treatment Plant Intake Expansion (PN:ZF46), Sacramento River Water Treatment Plant Expansion (PN:ZF51), and Sacramento River Water Treatment Plant Intake Replacement (PN:ZF56), transfer funds, and approve a consultant services agreement with Montgomery Watson Americas, Inc., for pre-design update for a not-to-exceed amount of \$409,450. (D-All)
-

Adopted Resolution 97-161 approving Agreement 97-037.

RESOLUTION NO. 97-161

RESOLUTION AMENDING THE FY 1996-97 CAPITAL IMPROVEMENT PROGRAM TO ESTABLISH THE E A FAIRBAIRN WATER TREATMENT PLANT EXPANSION PROJECT (PN:ZF41), E A FAIRBAIRN WATER TREATMENT PLANT INTAKE EXPANSION PROJECT (PN:ZF46), SACRAMENTO RIVER WATER TREATMENT PLANT EXPANSION PROJECT (PN:ZF51), AND SACRAMENTO RIVER WATER TREATMENT PLANT INTAKE REPLACEMENT PROJECT (PN:ZF56), APPROVE TRANSFER OF FUNDS, AND AUTHORIZE THE CITY MANAGER AND CITY CLERK TO EXECUTE A CONSULTANT SERVICES AGREEMENT WITH MONTGOMERY WATSON AMERICAS, INC FOR UPDATE OF PRELIMINARY DESIGN FOR A NOT-TO-EXCEED AMOUNT OF \$409,450

- 1.9 Status report on the use of a limited-term Deputy City Attorney to focus on Franklin Villa Issues. (D-8)
-

For Council information; received and filed.

- 1.10 Amend FY97 Capital Improvement Program to add new project "Dredging At Sacramento Marina" (PN:WG41), located at 2710 Ramp Way, and transfer funds; approve plans and specifications; suspend competitive bidding and authorize contract to Lucas Marine Construction for an amount not-to-exceed \$198,000. (Requires two-thirds vote) (D-4)
-

Adopted Resolution 97-162 awarding Contract 97-026.

RESOLUTION NO. 97-162

RESOLUTION TO AMEND FY97 CAPITAL IMPROVEMENT PROGRAM AND TO ADD NEW PROJECT "DREDGING AT SACRAMENTO MARINA" (PN:WG41) AND TRANSFER FUNDS; APPROVE PLANS AND SPECIFICATIONS; SUSPEND COMPETITIVE BIDDING AND AUTHORIZE CONTRACT AWARD TO LUCAS MARINE CONSTRUCTION FOR AN AMOUNT NOT TO EXCEED \$198,000.

- 1.11 Various matters relative to Granite Pits, bounded by Power Inn Road (west), Florin-Perkins Road (east), 14th Avenue (south) and the Regional Transit light rail line and Jackson Highway (north): (D-6)
- A. 4th Amendment to 1971 Granite Pits Agreement No. 2047 with Granite Construction Company
 - B. Agreement to convey easements and construct improvements for Phase One of Granite Regional Park
-

Adopted (A-B) Resolution 97-163 approving Agreement 97-038.

RESOLUTION NO. 97-163

A RESOLUTION AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXECUTE AGREEMENTS REGARDING GRANITE PARK

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2.0 SPECIAL PRESENTATIONS/GENERAL COMMUNICATIONS

- 2.1 Resolution supporting exploration of Sister City relationship between City of Sacramento and City of YoungSan-Gu, Seoul, Korea
-

Mayor Serna presented the Resolution.

Virginia Mueller, Coordinator for California Sister Cities International, accepted the document.

Councilmember Yee commented that last year a delegation had visited Sacramento; their hospitality was expressed and evident.

2.2 Presentation by Terrie Mitchell, Manager of Sacramento County Business Environmental Resource Center

Terrie Mitchell said the Sacramento County Business Environmental Resource Center was created in September, 1993, with a legal mandate regarding clean air. Its mission was to assist businesses and agencies with all types of environmental issues.

Ms. Mitchell said there are five core program elements:

1. To provide direct environmental regulatory and technical assistance.
2. Provide an ombudsman to investigate and resolve complaints and disputes.
3. Advocates for cost-effective environmental policy.
4. Acts as a catalyst for change.
5. Provides education and outreach to targeted industry groups.

Ms. Mitchell outlined the accomplishments of the Business Environmental Resource Center as follows:

1. Over 2500 clients have contacted BERC; 850 required detailed environmental consultation.
2. Education and outreach projects:
 - A. Printing Industry
 - B. Radiator Repair Shops
 - C. Auto Refinishing
 - D. Dry Cleaners
 - E. Construction
 - F. Mobile Cleaners
 - G. Auto Repair

2.3 Special presentation from P. G. and E.

WITHDRAWN UNTIL APRIL 15, 1997

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3.0 PUBLIC HEARINGS

- 3.1 *Blue Diamond*, located at 1721 C Street (North side of C Street, between 16th and 18th Streets) (PB96-035)- Appeal of the Design Review & Preservation Board action denying the applicant's proposal to remove two roof monitors (sets of skylight structures) on a building classified in the City's official register of historic structures as an essential structure and also located within the "C" Street Industrial Preservation Area. (continued from 3/25/97, item 3.1 [Cohn] (D-1))
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Gary Stonehouse, General Manager, Planning and Development, indicated that since *Blue Diamond* had appealed the September 18, 1996 decision of the Design Review and Preservation Board involving the three smaller roof monitors on the *Blue Diamond* Growers Building, the company had prepared a comprehensive concept plan for the entire building and presented the plan to staff for its review. Staff supports this concept plan which allows the removal of all or portions of the three monitors involved in the appeal.

Mr. Stonehouse noted that the City Council action on the appeal is categorically exempt under CEQA Guideline Section 15301, and the request of *Blue Diamond Growers* to completely remove two of the smaller roof monitors at the rear and center portion of the building and to remove a portion of the third smaller monitor, the portion which is farthest from the building's south elevation, be approved.

Councilmember Cohn expressed his thanks to all parties for working out a reasonable solution; he remarked that this was Phase I, saying that the net result would be preservation of those roof monitors visible from the street. Others will remain.

A motion was made by Councilmember Cohn, seconded by Councilmember Kerth, to close the hearing and adopt Resolution 97-164 approving the appeal. The motion carried with an 8-0 vote, with Councilmember Fargo being absent.

RESOLUTION NO. 97-164

A RESOLUTION APPROVING THE REMOVAL OF CERTAIN ROOF MONITORS ON THE BLUE DIAMOND GROWERS BUILDING (PB96-035)

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4.0 STAFF REPORTS

4.1 Top Flood Control Priorities and Objectives for the 1997 Congressional Appropriation Committees. (D-All)

Bert McCollam, Field Services Division Manager, presented the report.

Mr. McCollam requested that Council approve SAFCA's list of top flood control priorities for Congressional appropriations, in order to assure a common unified effort at the Congressional level.

City staff's approach to appropriations for common element funding and Natomas Flood Control Project (also referred to as the North Area Local Project) reimbursement is slightly different than SAFCA's.

SAFCA's approach to ARWI funding is to spread the common element funding over the next four years and to begin a new appropriations line, also spread over the next four years, for reimbursement of the Natomas Flood Control project. This approach separates Natomas as a common element from ARWI; SAFCA's recommended multi-year appropriations are counter to the way Congress would normally appropriate funds.

Normally, Congress only appropriates annually the amount the Corps is capable of spending in one year. Since the Corps has expressed the capability of spending only \$9.4 million in FY98 on the ARWI common elements, the Appropriations Committee will be left with \$35.3 million in the common elements funding. The Appropriations Committee must then decide how to prioritize the excess \$35.3 million to meet other needs in the nation.

Competing interests nationwide will view the \$35.3 million as being available for their needs in FY98. Staff recommends that the Appropriations Committee fully appropriate the common elements, consider the Natomas Flood Control Project as an ARWI common element, thus making the \$35.3 million available for reimbursement of that project.

Receipt of reimbursement for the Natomas Flood Control Project would allow SAFCA to significantly reduce the North Area Local Project (Natomas Flood Control Project) assessment fees. Federal appropriations will greatly reduce the amount of local funds needed to execute the remaining and necessary flood control projects for Sacramento.

City Manager Edgar commented that there was no need to change the Resolution in the package, that it allows access to the funds in a flexible way.

Butch Hotchkings, representing SAFCA, said the strategy has been to tell Congress what we need, not tell them how to manage funds. At present, \$9.5 million is needed to get started on the common elements, plus reimbursement for Natomas. Since this staff report was written, Congressman Fazio developed a proposal for fixing Magpie Creek on McClellan AFB. Mr. Hotchkings asked if it was feasible to ask City Council for support on that issue; Mayor Serna replied affirmatively.

A motion was made by Councilmember Pannell, seconded by Councilmember Cohn, to adopt Resolution 97-165.

Councilmember Cohn stressed the importance of presenting a united approach when returning to Washington, DC, that of being in agreement with SAFCA.

Mr. Edgar said it was safe to say that the City will be more aggressive regarding flood control in the future, to get SAFCA objectives met.

Mayor Serna agreed that the City would be much more aggressive, since we are most at risk; the Mayor said the City's desire is to provide the maximum flood protection to the citizens of Sacramento.

Mr. McCollam questioned that Magpie Creek was not included in the Resolution, or South Sacramento?

Councilmember Pannell inquired as to whether the southern part of the City was included, commenting that the Pocket area, Meadowview, and South Sacramento were all in the flood plain but appeared to be unrepresented. Mr. Hotchkings advised Mr. Pannell that there were three representatives who speak for that area.

Mr. Pannell asked how flood protection was impacted in the southern part of the city? Mr. Hotchkings indicated he would provide that information to Mr. Pannell.

The motion carried with an 8-0 roll call vote, with Councilmember Fargo being absent.

RESOLUTION NO. 97-165

RESOLUTION AUTHORIZING ENDORSEMENT OF THE
SACRAMENTO AREA FLOOD CONTROL AGENCY'S TOP
FLOOD CONTROL PRIORITIES FOR THE 1997
CONGRESSIONAL SESSION

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5.0 SHRA
Staff Reports

- 5.1 City Spirit - The Downtown Regional Center Initiative, located at the merged downtown Sacramento Redevelopment Area. (Continued from 3/18/97, item 5.2 [staff]) (D-1)

Mary Wray, SHRA Interim Director, Downtown Development, presented the report.

"City Spirit" - the Downtown Regional Center initiative is presented in this report as a tool to focus and direct change for Downtown Sacramento and the Region. City Spirit's purpose is to:

1. Inform and guide continued public discussion regarding the next generation of public and private sector investment in Downtown Sacramento.
2. Develop a clear and focused action plan for Downtown Sacramento based on the concept that Sacramento is the Region's economic and cultural center.
3. Identify priority projects which will enhance Downtown Sacramento as the Regional Center.
4. Define a strategy which expands the relationships between institutional partners, the private sector and the community where the capabilities of all partners are fully engaged.

"City Spirit" captures the attitude and enthusiasm that is growing within the City as evidenced by the Mayor's two Downtown Summit meetings and recent private sector investment decisions. With 17 of 18 redevelopment projects either completed or nearing completion, it is time to generate a shared regional vision for Downtown Sacramento, along with a new list of priority projects to match the vision.

Recent events include:

1. Redevelopment Agency approval of the Esquire Plaza/Imax development at 13th and K Streets
2. Sutter Commons housing development at 26th and I Streets
3. Hard Rock Cafe's decision to locate in the Downtown Plaza

A workshop hosted by the Sacramento Housing and Redevelopment Commission on February 19, 1997 identified three priority projects:

1. Riverfront development (residential, recreational, cultural)
2. A sports arena or baseball stadium and multi-modal transportation station
3. Image enhancement of key public streets entries; J Street; K Street; 16th Street; 12th Street; and R Street

Mayor Serna commented that, while City Council District #1 is Downtown, the area really belongs to all and is deserving of special attention since it is close to the Capitol. The Mayor remarked that there is no lack of vision; the issue is financing: who is best equipped to carry out and/or implement the strategies?

Mayor Serna was of the opinion that a special commission should look at increasing market-rate housing in Downtown and Mid-Town; without that element, plans will be difficult to achieve. The Mayor said there is much to do; it is critical that implementation financing is clear.

Councilmember Pannell expressed concerns regarding SROs Downtown; he believed that they should not be located there. Mr. Pannell said the Marshall Hotel, the Berry, and the Greyhound Bus Station problems must be addressed; he suggested that the Marshall and the Berry could be converted into nice hotels. The construction of a misdemeanor jail would be helpful.

Mayor Serna remarked that opposite the Greyhound station is Lot A, an important piece of real estate; the SROs around the area lend themselves to master planning.

Mr. Pannell said he was not against SROs, but believed it would be best to scatter the locations, not have them all in the Downtown area. Ms. Wray recognized the problem.

Councilmember Cohn commented that the City Spirit Workshop was a good one; he noted that the region is now at 1.7 million and growing, saying that there is a need to improve linkages to Downtown, to look at Sacramento as a larger area, growing with the region.

Ms. Wray commented that consideration must be given to what amenities people want when they come Downtown.

Councilmember Steinberg remarked that these are achievable, concrete ideas; he stressed the need to link social service siting, to provide a viable way to assist people in need. Regarding Downtown regional centers, Mr. Steinberg suggested that outreach efforts be expanded to include other stakeholders.

Councilmember Kerth inquired as to what the "clouds" were, regarding costs, payment, and operation? Ms. Wray replied that the first focus was to capture ideas, desires, and needs.

Mr. Kerth commented regarding his perceptions about the concentration of effort in the Downtown area; he asked how to focus on redeveloping the whole City, not just the Downtown area. Ms. Wray replied that it was hoped to attract people here, then expand outwards through the whole region.

Mayor Serna commented, regarding Downtown development, that there is a lot of T.I. money generated; 20% of that is dedicated to housing. The Mayor suggested a report to identify how much of that money goes to support redevelopment in other areas.

Mr. Pannell stressed that the heart of Sacramento must be kept functioning, or all else dies. The Downtown needs to be made safe for people. When staff considers these issues, Mr. Pannell said he wanted African Americans to be represented.

Councilmember Hammond inquired as to whether the Mayor's Downtown Summit would be incorporated into Phase II of City Spirit? Ms. Wray replied affirmatively, saying that the Executive Committee of the Mayor's Downtown Summit was going to reconvene to discuss some feedback which emerged from the first meeting. The City Spirit group plans to work with the Executive Committee, to inform those who did not participate in the Summit on the issues raised.

Mayor Serna agreed with Mr. Pannell as to the need to expand the associations represented. Mr. Pannell suggested contacting Councilmembers to appoint representatives from each district.

For Council information; received and filed.

5.2 Selection of Taylor Properties to develop a supermarket on Broadway and Stockton Boulevard. (D-5)

John Dangberg, SHRA Director of Community Development, presented the report.

Taylor Properties has acquired the option to purchase 10 parcels on the west side of 44th Street (Option Area) to contribute to the existing Agency-owned property (Attachment I). By combining the Agency-owned property with the Option Area, and abandoning a portion of 44th Street, Taylor Properties will be able to develop a total of 4.7 acres to achieve the following:

- * Construct a 50,000 square foot building for Raley's to operate a Food Source Supermarket, offering quality food at value prices for the residents of Oak Park and surrounding neighborhoods.
- * Provide an 800 square foot space to accommodate a City Police Service Office, free of rent or expense to the City Police Department, a location to be used by volunteers and officers to take statements and write reports.
- * Delete one .7 acre parcel from the Site offered by the RFP, allowing "Warner's rendezvous" establishment to be maintained at its current location; the business will have the added benefit of being located adjacent to a grocery-anchored shopping center, which should enhance business.
- * Construct a 10,000 square foot retail building at the corner of Stockton Boulevard and Broadway that will provide architectural compatibility to the project by breaking up the site line and giving the development an urban flavor with sidewalk appeal.

Taylor Properties and Food Source are committed to provide local and minority hiring programs in coordination with the Enterprise Zone Job Bank. The development of the supermarket will generate approximately 100 construction jobs, and 100 to 130 full and part-time employment opportunities for local residents.

Lux Taylor, Taylor Properties, expressed pleasure at being able to put the project together; he spoke supportively of retaining Warner's Rendezvous.

A motion was made by Councilmember Hammond, seconded by Councilmember Pannell, to adopt Redevelopment Agency Resolution 97-016.

Ms. Hammond expressed concerns regarding the economics of Oak Park, saying that the support of outlying neighborhoods would be needed in order to make the project feasible. Mr. Dangberg commented that East Broadway had attended Oak Park meetings; dialog was encouraged.

Ms. Hammond inquired as to whether the widening of Stockton Boulevard was part of this project; she expressed concerns regarding the double lane, South on Stockton, then East, as to whether a 48th Street bottleneck would be created? Ms. Hammond remarked that the streets were being torn up over and over; she stressed the need to coordinate effort.

Regarding the hiring of local workers, Ms. Hammond suggested that not just Sacramento, but also 95817 and 95820 zip code areas should be included.

Mayor Serna commended staff for a good job regarding the resolution of problems associated with the project; he suggested that Traffic meet with Ms. Hammond regarding street congestion issues.

Councilmember Cohn congratulated Mr. Taylor, saying it was good to have found a way to retain Warner's Rendevous, since the former hearing about that issue was contentious.

Mayor Serna inquired as to whether all of the property had been purchased by the Agency: Mr. Dangberg replied that it had not, that two parcels remained to be negotiated.

Councilmember Steinberg commented that this was a positive result, while reiterating traffic concerns regarding Tahoe Park, an area east of this project. Residents there have expressed concerns regarding traffic impact; Mr. Steinberg requested that staff examine that issue.

Mr. Dangberg replied that roadway improvements were going to occur with or without this project; traffic issues will be studied. Mr. Steinberg asked whether designs had been established; Mr. Dangberg replied that design workshops will be conducted prior to final approval.

The motion carried with a 7-0 vote, with Councilmembers Fargo and Pannell being absent.

REDEVELOPMENT AGENCY RESOLUTION NO. 97-016

OAK PARK REDEVELOPMENT PROJECT AREA:
NORTHWEST CORNER OF BROADWAY AND STOCKTON
BOULEVARD; SELECTION OF TAYLOR PROPERTIES
AS DEVELOPER; NEGOTIATION OF OFFER TO
PURCHASE AND DEVELOP SITE AND DISPOSITION
AND DEVELOPMENT AGREEMENT

5.3 Sacramento Regional Performing Arts Center and Conferencing Facility Study. (D-1)

Tom Lee, SHRA Executive Director, presented the report.

In May, 1990, the Redevelopment Agency of the City of Sacramento and the City of Sacramento adopted the Downtown Cultural and Entertainment District Master Plan.

The goal of the Master Plan is:

- * to create a concentrated mix of cultural and entertainment facilities capable of contributing to Downtown's night and weekend activity
- * serve as a guide for public and private sector groups and agencies involved with Downtown development; recommends that those groups plan, finance, construct, and program additional cultural facilities to showcase the work of resident and touring performances.

As part of implementation of the Master Plan, the Sacramento Regional Performing Arts Center and Conferencing Facility Study was initiated. Performing arts are a critical component to the revitalization of Downtown Sacramento.

A series of four workshops with the arts community, ranging from public meetings to small working groups, the following mission statement was developed:

To provide the Sacramento region a performing arts center that is a home for the performing and cultural artists and organizations in the region, helping them build their stature and support, while increasing and diversifying the performance options available to the Sacramento audience.

Mr. Lee emphasized that this project is to be a true public/private partnership; it will be relying heavily on private sector funding.

Dan Kennedy, Editor of The Business Journal, commented that 20 years from now, Sacramento will be the size of Portland, Seattle, or Atlanta. More Downtown facilities will be needed; Mr. Kennedy was of the opinion that this effort should be led by the private sector.

Mr. Kennedy suggested a lead gift from the private sector, up to \$10 million, while saying that it is early for that. Mr. Kennedy questioned the availability of those kinds of funds in Sacramento, saying that potential supporters are here, but historically there has been no involvement.

Mayor Serna was in agreement as to the private sector approach, non-conventional. The Mayor remarked that Bomer Theater in Ashland, OR is a good, well-designed small theater; he commented that it would take a major effort in the private sector to create a Downtown theater district. Mr. Kennedy reiterated that there was no point in City involvement yet, until the private sector leads with a financial investment.

Councilmember Cohn agreed with Mr. Kennedy regarding private sector funding, saying that site consideration may change greatly; some sites are already owned by the City. Consider:

1. A lower cost alternative if \$70-\$100 million is not achievable.
2. This idea should not stop interim venues; some existing buildings could be renovated for less.
3. Cable TV revenues - \$300,000 to the City; \$700,000 to the County from Cable subscribers. One-half could be diverted to endow arts groups; this could be done now, without

waiting. Perhaps the private sector would provide matching funds; the County Board of Supervisors has also expressed interest.

Councilmember Steinberg asked whether the government would have any role as facilitator, or must it just sit back and wait? Mr. Kennedy replied that it was appropriate for the government to facilitate, but it must wait for funding.

Mr. Steinberg asked whether this is a zero sum game when asking the private sector for an initiative this large? Mr. Kennedy replied that Chicago raised \$650 million for arts, San Francisco raised nearly one quarter of a billion dollars; all cities are different as to their support of the arts.

Bud Oringdulph, Boora Architects, Inc., commented that the Bomer Theater in Ashland, OR seats 800 people; last year 400,000 people attended the Bomer, pumping over \$5 million into the community. The process of the program identified appropriate programs for the performing arts for this City.

Phase I - Research & Analysis of Existing Conditions

- * Market Analysis

Phase II - Programming and Site Selection

- * Four Public Works Sessions
- * Establish Goals and Objectives

Research of Existing Conditions:

- * A potential market exists of 2,000,000 people; out of that number, 400,000 could be expected to attend various arts programs

Program and site selection were discussed, with options such as the parking lot opposite the Crocker, a site at 9th and K, etc.

Costs were discussed, as well as the size and capacity of the recommended facility. The estimate is at \$80 million; it could be \$40-\$45 million if the site were City-owned.

The City's needs are in the mid-range, from 250-1500 seats. A performing arts center could add as much as \$40 million to the City; the addition of a theater revitalizes the surrounding area. A PAC task force would develop implementation strategy and initiate development of the program, which would probably take 5-6 years.

Mayor Serna asked what causes a loss of interest if a project can't be done in approximately 5 years? Mr. Oringdulph replied that in Walnut Creek, private business finally stepped up, that public/private bonds were used for funding in order to bring the project there to completion after a delay of 14 years.

Mayor Serna remarked that other communities don't have to deal with Proposition 13, which says that a two-thirds vote is required. The Mayor commented that the City can't do these things alone, that there must be a regional solution. Mr. Oringdulph said it is important that Mayor and Council are in support of the program.

Mayor Serna pointed out that Sacramento is already leading on regional issues; he expressed a desire to meet with the private sector and other regional entities in order to develop a plan.

Tom Lee commented that when this proposal was taken to the Sacramento Board of Supervisors, the Board expressed approval of the approach. It is believed that the project would greatly enhance the City. Mr. Lee indicated he would return later with kick-off strategy.

Councilmember Cohn spoke supportively of the idea, while recognizing that it will change in scope and size over time. Mr. Cohn felt that Sacramento City and County should join forces first, then the others. Mr. Cohn agreed that the private sector must lead regarding funding.

Mr. Cohn inquired as to why existing facilities such as the Community Center, Memorial Auditorium, and Music Circus were not being taken advantage of? Mr. Oringdulph replied that the Community Center Theater was too big (at 2500 seats), that a mid-range of 1000 seats was needed.

Mr. Cohn commented that if a large donation were received, the donor may want another site. Mr. Oringdulph replied that costs would be \$300-\$325/ft., for a total of \$45-\$50 million.

Mr. Cohn briefly discussed the Crocker Expansion, as to how funding for that would be accomplished if that site opposite were chosen for the theater; Mr. Oringdulph appeared to lean toward that site as the best option, since it would provide a good flow from the Crocker to the waterfront development planned. Mayor Serna remarked that the property now being used as the Crocker parking lot, and known as Lot X, must continue to be an income generator in support of the Crocker.

For Council information; received and filed.

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6.0 CITIZENS ADDRESSING COUNCIL (MATTERS NOT ON AGENDA)

- 6.1 Mrs. Carole Blalock apprised the Councilmembers of the details of an automobile accident in which she was involved in July, 1993. Mrs. Blalock urged Council to identify those intersections throughout the city where overgrown trees could impair driver visibility, and implement measures to mediate that problem.

This matter was referred to the City Manager.

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7.0 COUNCIL IDEAS AND QUESTIONS

- 7.1 Councilmember Pannell suggested that a building or facility be named for either of two people for whom he had the greatest respect: Fred Anderson, late well-known Sacramento developer and Nathaniel S. Colley, a local attorney.

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8.0 RECESSED INTO CLOSED SESSION at 4:22 p.m.

8.1 Pursuant to Government Code Section 54956.9(a) for matters of pending litigation: City of Sacramento vs. Loaves and Fishes, et al., Sacramento Superior and Municipal Court No. 97AS00287

8.2 Pursuant to Government Code Section 54956.9(a) for discussion of pending litigation in the matter of City of Sacramento vs. Brooke's Travel Service, et al., Sacramento Superior and Municipal Court Case No. 96U10449

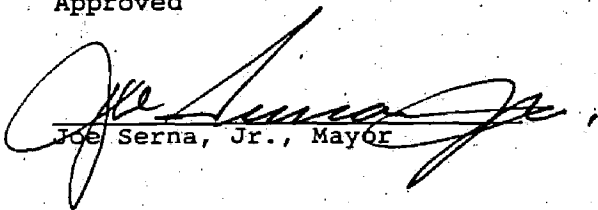
ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at 5:55 p.m. in memory of John Yee.

Submitted


Valerie A. Burrowes, City Clerk

Approved


Joe Serna, Jr., Mayor