



Sac Heritage
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SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

November 30, 1981

CITY MANAGER'S OFFICE

City Council of the
City of Sacramento
Sacramento, California

APPROVED
BY THE CITY COUNCIL

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CITY CLERK

Honorable Members in Session:

SUBJECT: Annual Report to Members of Sacramento Heritage, Inc.,
From the Board of Directors

SUMMARY

Enclosed is the Annual Report of Sacramento Heritage, Inc. This report summarizes the activities of the corporation from January 1981 to December 1981.

BACKGROUND

Sacramento Heritage, Inc. was formed in July 1975. Its members are the City Council, and the Directors are representatives of the Sacramento Housing and Redevelopment Commission, the Preservation Board, and the Housing Code Appeals and Advisory Board. During 1978, two public members were appointed to the Board of Directors by the Personnel Committee of the Sacramento City Council. The Board of Directors are:

Peter Givas, Chairperson
Lanny Tobe, Vice Chairperson
Charley Petersen
Burnett Miller
Rick Stevenson

The Board of Directors meet the second Thursday of each month at 4:00 p.m. at 630 "I" Street, Sacramento, California.

Carol Branan is the staff person from the Sacramento Housing and Redevelopment Agency assigned to Sacramento Heritage, Inc. William H. Edgar is the Executive Director, and Joan Roberts is the Secretary.

Sacramento Heritage, Inc. is a non-profit corporation, and was formed for the specific and primary purposes of acquisition, improvement, restoration, preservation, leasing and disposition of historically or architecturally significant real properties in the City of Sacramento; to provide housing for moderate

12-22-81

All Districts

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and low income persons on a non-profit basis; and to assist with the provision of related facilities and services designed to enhance the physical, social, and psychological well-being of those members of the communities in which Sacramento Heritage functions.

The first project of Sacramento Heritage, the rehabilitation of the Van Voorhies residence at 925 "G" Street was successfully accomplished and the structure was sold at private auction in 1977. A major portion of the present capital of Sacramento Heritage, Inc. (see Financial Information, Exhibit I) is derived primarily from this project.

During the period of this report, the Directors explored a number of potential projects including: a Southside Neighborhood Park Committee rehabilitation project, and a preservation revolving loan program. The residences considered for rehabilitation in the Southside neighborhood proved financially infeasible. However, the Board strongly supported the concept of preservation and rehabilitation of the housing stock in this neighborhood as well as the concept of a revolving loan for preservation purposes.

In January 1981, Sacramento Heritage sold 517 - 8th Street to a private developer for residential use and began the processing of a National Register application. Restoration is currently in progress and should be complete in the spring of 1981.

In September 1981, the City Preservation Board requested Sacramento Heritage to provide a rehabilitation cost estimate for the Diepenbrock Building. This estimate was developed and delivered to the Preservation Board and the City Attorney in October 1981.

The present project of Sacramento Heritage, Inc. is the restoration of 1010 "F" Street. The Contract for Sale was executed with a private joint venture in November 1981 with restoration scheduled to begin in January 1982 and continue through June 1983. This historic structure will be returned to use as an office building.

As a part of the Final Management Report, Sacramento Housing and Redevelopment Agency has recommended that a reassessment report be prepared that will identify problems which must be overcome and propose possible alternative solutions in order to develop long-range strategies, both administrative and programmatic for the effective operation of Sacramento Heritage, Inc.

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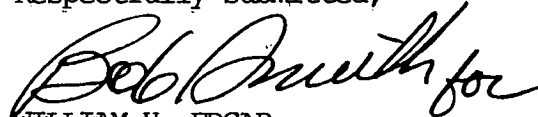
Following the adoption of the Final Management Report, this study, to be conducted by Agency staff, will begin. Final presentation of the findings of the study will be to the Board of Sacramento Heritage, Inc. and the City Council.

FINANCIAL DATA

The fund equity of Sacramento Heritage, Inc., carried over from 1980, was \$58,026. Income to the corporation during 1981 amounted to \$6,849. In addition to this miscellaneous and income revenue was the receipt of proceeds from the sale of 517 8th Street in the amount of \$25,661 for a total revenue of \$32,510. Expenses to the corporation were \$9,232 and consisted primarily of salaries and administrative costs. The fund equity of the corporation on November 30, 1981 is \$81,304.


Sacramento Heritage, Inc. has the status of an organization exempt from paying Federal Income Tax with the Internal Revenue Service. As a publicly supported organization, Sacramento Heritage, Inc., may accept bequests, legacies, devises, transfers or gifts. Such donations are tax deductible for the donors. In order to maintain this tax status, the corporation must continue to meet an applicable support test of 30% of the corporation's income from public sources. Presently, the Preservation Board's loan of CDBG funds for the purchase of 1010 "F" Street, qualifies as public support. The State of California accepts Federal tax status for purposes of the State Income Tax.

Respectfully submitted,



WILLIAM H. EDGAR
Interim Executive Director

TRANSMITTAL TO COUNCIL:


WALTER J. SLIPE
City Manager

Contact Person: Carol Branan

EXHIBIT I

FINANCIAL STATEMENT

SACRAMENTO HERITAGE
BALANCE SHEET
NOVEMBER 30, 1981

Assets

Cash in Bank	\$(2,737)
Investments	98,807*
Accounts Receivable	2,050**
Notes Receivable	3,000***
Interest Receivable	598
Inventory (1010 F Street)	<u>50,901</u>
 Total assets	 <u><u>\$152,633</u></u>

Liabilities and Fund Equity

Good Faith Deposits	\$ 5,350
Salaries Payable	244
Due to other funds	5,735*
Notes Payable	<u>60,000**</u>
 Total Liabilities	 <u>71,329</u>
 Fund Equity	 <u>81,304</u>
 Total liabilities and fund equity	 <u><u>\$152,633</u></u>

UNAUDITED FINANCIAL STATEMENT

Assets

- * Funds received from the sale of 925 G Street and 517 8th Street
- ** Funds to be received from the Preservation Board for the Diepenbrock cost estimate
- *** Funds held in escrow for the handicapped ramp, 925 G Street

Liabilities

- * Funds to be reimbursed to the Agency for salaries paid out
- ** CDBG loan from the Preservation Board for the purchase of 1010 F Street

SACRAMENTO HERITAGE
 OPERATING STATEMENT
 FOR PERIOD JANUARY 1 THROUGH NOVEMBER 30, 1981

Revenue:	
Miscellaneous Income	\$ 66
Interest Income	6,783
Total Revenue	<u>6,849</u>
Expenses:	
Employee Services	\$ 2,651
Printing	42
Miscellaneous	5,557
Utilities	16
Current Settlements	274
Sacramento Housing & Redevelopment Administrative Support	692
Total Expenses	<u>9,232</u>
Sale of 517 8th Street	\$57,014
Construction Costs (Purchase)	31,353
Proceeds to Fund Equity	<u>25,661</u>
Fund Equity 1/1/81	58,026
Fund Equity 11/30/81	<u>\$81,304</u>

UNAUDITED FINANCIAL STATEMENT