

Committee *W/ist*  
25

**APPROVED**  
SACRAMENTO REDEVELOPMENT AGENCY  
CITY OF SACRAMENTO

*Withdrawn*  
FEB 9 1982

## SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

February 1, 1982

CITY MANAGER'S OFFICE  
**RECEIVED**  
FEB 3 1982

Redevelopment Agency of the  
City of Sacramento  
Sacramento, California

Honorable Members in Session:

SUBJECT: Stockton Boulevard Economic Development Program

### SUMMARY

The attached resolution authorizes the expenditure of Eighty Thousand Dollars (\$80,000.00) for economic development purposes along Stockton Boulevard.

### BACKGROUND

Questions concerning the revitalization of Stockton Boulevard have been under discussion for some time. A December 21, 1979 Redevelopment memorandum to the City Council discussed the feasibility of establishing a redevelopment project along Stockton Boulevard. This report concluded that there didn't appear to be adequate justification for the establishment of a redevelopment project area at that time. The City Council later designated Stockton Boulevard as a target area and approved Eighty Thousand Dollars (\$80,000.00) of 1980-1981 CDBG funds to be used to improve the area.

The question of utilizing a Local Development Corporation (LDC) for economic development purposes has also been discussed. Originally this issue was addressed by the City Planning Department and the City Manager's Office. Both concluded that, to date, it did not appear as though Local Development Corporations had progressed far enough to allow analysis of their operation.

In a June 29, 1981 staff report to the City Council, the Planning Department recommended "that the possible organization and establishment of an LDC be referred to the Sacramento Housing and Redevelopment Agency for further consideration."

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In August 1981, Agency staff began working on the development of a specific proposal for the revitalization of Stockton Boulevard. In order to gain a clearer understanding of the problems surrounding the area, staff participated in numerous meetings with interested groups in the area. Among these groups were the Oak Park PAC, South Sacramento TAC, the Fruitridge Development Corporation (FDC), and the Economic Development Foundation (EDF). During the meetings it became apparent that economic development is a primary if not an overriding concern of the people in the Stockton Boulevard area.

In a joint meeting of the Oak Park PAC and the South Sacramento TAC held August 18, 1981, the EDF explained how a Local Development Corporation functions and the difference between an LDC and a Certified Development Corporation (CDC). EDF staff also presented a status report on the economic development programs in which they are involved. Agency staff explained the need for coordination between the planning and economic development process. EDF staff strongly endorsed the need for this type of coordination, and stated that from their standpoint it was preferable to have an adopted economic development plan for an area prior to the advent of any economic development activities.

The Oak Park PAC and South Sacramento TAC recommended the implementation of a joint City/County study of the Stockton Boulevard area and the creation of an economic development program to implement the findings of the study. Specifically, the PAC and TAC recommended that the Eighty Thousand Dollars (\$80,000.00) previously allocated by the City Council be distributed as follows:

1. \$5,000.00 be set aside, to be matched by the County, for Agency staff to develop a specific plan to identify definitive economic development areas along Stockton Boulevard and prepare an overall strategy.
2. That the remaining \$75,000.00 be used for funding an LDC to implement economic development activities in the area in accordance with the overall plan.

Staff has subsequently worked with the EDF and the FDC to determine their interest in such a project and identify their respective roles. EDF and FDC have now entered into a Memorandum of

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Understanding (see attached) which delineates their respective roles as they relate to the Stockton Boulevard area. The Memorandum indicates that any economic development funds allocated to the area should go directly to EDF. EDF will, in turn, provide FDC with the funds necessary to develop promotional brochures describing the project area and cover FDC's initial administrative cost which will be incurred by contacting businesses in the area and explaining the program. This proposal has also been reviewed and approved by the overall Economic Development Committee.

## FINANCIAL DATA

Approval of this proposal will result in the expenditure of Eighty Thousand Dollars (\$80,000.00) of previously allocated (1980-1981) CDBG funds.

## VOTE AND RECOMMENDATION OF COMMISSION

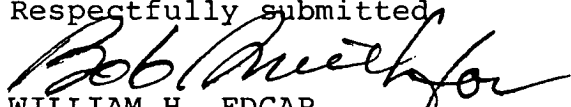
At its regular meeting of February 1, 1982, the Sacramento Housing and Redevelopment Commission adopted a motion recommending adoption of the attached resolution. The votes were as follows:

AYES: Coleman, Fisher, Kneprath, Luevano, A. Miller,  
Teramoto, Walton  
NOES: B. Miller  
VACANCY: One  
ABSENT: None

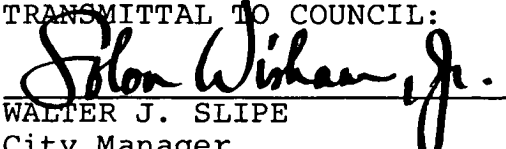
## RECOMMENDATION

Staff recommends adoption of the attached resolution which: 1) implements the Stockton Boulevard Economic Development Study; and 2) authorizes the Interim Executive Director to negotiate a contract with the Economic Development Foundation to provide economic activities in the area.

Respectfully submitted,

  
WILLIAM H. EDGAR  
Interim Executive Director

TRANSMITTAL TO COUNCIL:

  
WALTER J. SLIPE  
City Manager

Contact Person: Bruce Pope

# RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

February 9, 1982

## AUTHORIZING EXPENDITURE OF COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS FOR STOCKTON BOULEVARD REDEVELOPMENT

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF  
SACRAMENTO:

Section 1. Eighty Thousand Dollars (\$80,000.00) of Community Development Block Grant funds are hereby appropriated to the Redevelopment Agency of the City of Sacramento (RACS) for application as follows:

Five Thousand Dollars (\$5,000.00) to be expended for administrative expenses by RACS related to the study and design of a program to revitalize the commercial structures on Stockton Boulevard.

Fifteen Thousand Dollars (\$15,000.00) to be disbursed by RACS to the Economic Development Foundation (EDF) for administrative expenses in connection with the implementation of the program. Of this Fifteen Thousand Dollars, Three Thousand Dollars (\$3,000.00) to be disbursed by EDF to the Fruitridge Development Corporation (FDC) for use by FDC as administrative expenses in connection with the program.

Sixty Thousand Dollars (\$60,000.00) to be retained by RACS for use as the principal amount of loans to be generated and administered by EDF and FDC pursuant to the program designed by RACS.

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CHAIRMAN

ATTEST:

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CLERK

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding made and entered into this 22<sup>ND</sup> day of October, 1981 between the Fruitridge Development Corporation (FDC) and Economic Development Foundation (EDF).

WHEREAS; the Community Development Block Grant South Sacramento target area desires economic stimulation of the business districts located therein, and,

WHEREAS; the City of Sacramento has requested the FDC to participate in utilizing certain funds for improvement of the Stockton Boulevard area.

WHEREAS; the EDF possesses the economic development and financial expertise to implement projects with a combination of local funds, private funds, and assistance from various Small Business Administration programs.

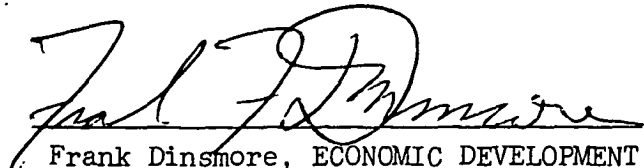
WHEREAS; in the spirit of cooperation and for the economic and social betterment of the residents of the community, the EDF and FDC desire to work together towards improved economic activity in the area, the parties do now agree;

- 1) That EDF and FDC shall work together to bring about the economic development of the South Sacramento City and County community.
- 2) The FDC shall utilize the composition of its membership to generate economic development projects.
- 3) That EDF will provide consultant services in the form of organizational development, financial and project analysis in order to establish a cohesive organization of business people in the area.
- 4) The FDC, through procedures established by Sacramento County staff and acceptable to City officials or representatives, i.e., Sacramento Housing and Redevelopment Agency, will make low interest loans to persons capable of establishing new businesses or expanding existing businesses in the South Sacramento City and County area.

- 5) The FDC will have sole responsibility for an accountability to Sacramento City and County for CDBG funds expended in the South Sacramento area through the local development corporation mechanism.
- 6) That EDF's services will be contracted at a rate agreed upon between the parties for the services performed.

WHEREAS; this Memorandum of Understanding may be cancelled by either party by providing the other party fifteen (15) days written notice.

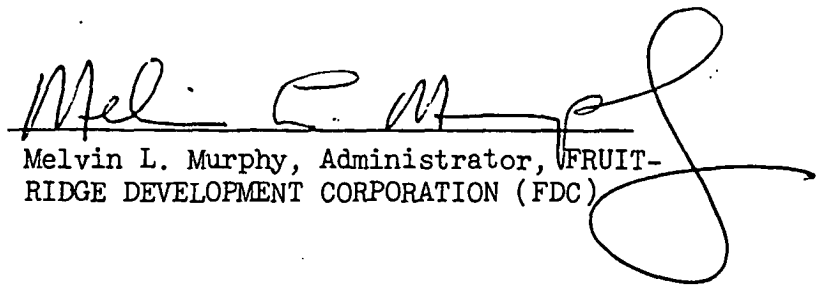
IN WITNESS WHEREOF, the parties hereto have affixed their signatures the day and year first above written.

  
 Frank Dinsmore, ECONOMIC DEVELOPMENT  
 FOUNDATION OF SACRAMENTO, INC.(EDF)

  
 Merle Tilton, President, FRUITRIDGE  
 DEVELOPMENT CORPORATION (FDC)

WITNESSES:

\_\_\_\_\_  
 \_\_\_\_\_

  
 Melvin L. Murphy, Administrator, FRUIT-  
 RIDGE DEVELOPMENT CORPORATION (FDC)

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SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY  
 COMMUNITY DEVELOPMENT DEPARTMENT  
 WORK ASSIGNMENT/PROGRAM REPORT

Division Redevelopment

Legislative Approvals and Dates:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

Project Type

- City                       Redevelopment  
 County                       Housing  
 Grant  
 Technical

Project Stockton Boulevard

Responsible staff Bruce Pope

Supervisor Leo Goto

Updated 22 1 1982  
 Day                      Month                      Year

Legend

- \* Critical milestone (identify)
- △ Date project updated
- ▲ Current progress of project

Project Budget	Construction Bid Amount	Expenditures to date	Funding Source
\$ 10,000.00	\$ - -	\$ - -	\$ CDBG

Major Steps

MONTHS	Month											
	Week of											
	1	2	3	4	5	6						
1. Existing land use/zoning	*											
2. Building facade/structure analysis	*											
3. Area base map, identifying uses, zoning, structural conditions			*									
4. Circulation analysis				*								
5. Business classification index/ownership patterns				*								
6. Assessed valuation, trends of properties					*							
7. Capital Improvement needs (e.g. sidewalks, curbs, gutters)						*						
8. Identification of economic development sub areas							*					
9. Completion report to SHRC								*				