

RESOLUTION NO. 82-055

ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO
ON DATE OF

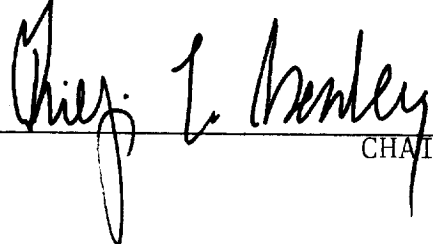
November 23, 1982

APPROVING SUBMISSION OF PROPOSAL
AND NEGOTIATIONS OF PUBLIC-PRIVATE
SPONSORSHIP OF GOLDEN ERA HANDICRAFTS

BE IT RESOLVED BY THE HOUSING AUTHORITY OF THE CITY OF
SACRAMENTO:

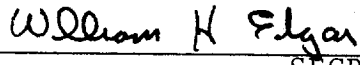
Section 1. Submission of the proposal to J. C. Penney,
attached hereto as Exhibit "A", to co-sponsor the Golden Era
Handicrafts Program, is hereby approved.

Section 2. The Executive Director is authorized to
proceed with negotiations with J. C. Penney Company in order
to reach agreement on a plan for public-private sponsorship of
the Golden Era Handicrafts Program.



CHAIRMAN

ATTEST:



SECRETARY

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PROPOSAL

"GOLDEN RULE REBORN"

Kenmerer, Wyoming-1902 - Sacramento, California-1983

Golden Era Handicrafts has received national recognition as a model project since its inception in November, 1975. The philosophy, concepts and ethics under which it is managed are consistent with the "Penney Idea".

"Throughout the history of the Penney Company, we have always thought in terms of debt to the community as a regular part of Company policy. We encourage our associates to take an active interest in the community, for we recognize that the privileges of private initiative are not without their public responsibilities and obligations. We conceive of our partnership as not limited to those within the Penney Company who receive a portion of their compensation from our profits, but as a partnership between every store and its community, with both the Company and the community profiting by every transaction."

William M. Batten
Chairman of the Board
J.C. Penney Company, Inc.
1966

It is proposed that a private-public partnership be established between J.C. Penney and the Sacramento Housing & Redevelopment Agency. Golden Era Handicrafts would be renamed "Golden Rule". As a replica of a time long past Golden Rule would pay homage to James Cash Penney, spotlighting his revolutionary merchandising ideas and partnership concepts, the heart of the "Penney Idea" and the foundation of the present-day, nationwide department store chain.

As a legendary tribute to the J.C. Penney Company, Golden Rule would showcase the skills and talents of elderly artisans who recreate traditional, handcrafted items of a time long past, while applying the Golden Rule philosophy to the business, testing every phase of the business operation against this single precept. Golden Rule would gain friends in Old Sacramento as it grew in popularity as a tourist attraction. Visitors from all over the world numbering five million annually would continue to enjoy the displays and purchase many items "handcrafted with love".

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It is proposed that should J. C. Penney Company agree to become a co-sponsor of the project with the Sacramento Housing & Redevelopment Agency, this would involve a cooperative agreement whereby:

Sacramento Housing & Redevelopment Agency would...

- (1) Rename the store "Golden Rule"
- (2) Promote the "Penney Idea" through informational material and displays
- (3) Apply the Golden Rule philosophy to the operation of the business and adhere to the basic seven principles inherent in the "Penney Idea"
- (4) Provide the day-to-day administration of the project
- (5) Include J. C. Penney's name on all information and media materials
- (6) Provide Penney's with regular reports on the program's progress
- (7) Involve Penney's in significant policy or programmatic changes
- (8) Provide local inkind support in the amount of \$36,602 and \$22,637 of project income to support the operation

J. C. Penney would...

- (1) Provide financial support in the amount of \$78,243 for the operation of the program and do so until the program becomes self sufficient. Funding would include the support of staff positions presently funded with Federal monies (O.A.O. and Department of Labor)
- (2) Assist in moving the project from one supported by public funds to private support and eventual self-sufficiency
- (3) Provide representation on the Community Advisory Council which would involve attending Council meetings and providing program direction
- (4) Provide technical support in such areas as marketing strategies, sales techniques, public relations, advertising and promotional displays. Loan of a middle-management staff person for three to six months periods to enhance training opportunities for staff and enrich the operation of Golden Rule.
- (5) Provide workshops and discounts to elderly handicrafters to assist them in maintaining the Company's slogan "Always First Quality".

It is envisioned that "long range" aspirations for Golden Rule could include a network of boutiques nationwide with the "Pencrafters" working and sharing cooperatively to further the senior crafts industry. The long range goal for the senior handcrafts cooperative is to become a self-sufficient, non-profit organization. With technical assistance provided by the highly successful J.C. Penney management staff in established sound business objectives and practices, it is envisioned that the proposed Golden Rule operation could eliminate its reliance on J.C. Penney for financial support and in years to come be self-supported through project income.

CONCLUSION...

Golden Era has experienced growth, success and community support since its conception. The public interest in handmade items has greatly enhanced the potential for arts and crafts activity. Consumer trends are away from produced items and toward higher quality, more personalized products for gifts, home furnishings and personal items. Given the interest of our seniors in the arts and crafts and the potential market which exists for these items, the Golden Era project is a moderately profitable source of supplemental income for seniors who possess the interest and ability to continue an economically active lifestyle. Golden Era continues to gain friends as Old Sacramento grows in popularity as a major tourist attraction. Visitors from all over the world have visited the shop enjoying the displays and purchasing handmade items by older persons throughout Northern California as well as many local citizens who revisit the shop for special gifts beautifully executed by hand and heart.

The preservation of American Heritage and the spirit of free enterprise is a basic to the seven principles of the Penney Idea and inherent in the philosophy in which Golden Era Handicrafts has also thrived. The many older artisans, who might be referred to as "Penncrafters", would successfully market their hand-crafted items and fondly remember the merchandising ideas and partnership concepts initiated by J.C. Penney which have become tradition to good business management.