



# REPORT TO COUNCIL

## City of Sacramento

915 I Street, Sacramento, CA 95814-2604  
[www.CityofSacramento.org](http://www.CityofSacramento.org)

Consent Report  
**February 26, 2008**

**Honorable Mayor and  
Members of the City Council**

**Title: Old Sacramento Organizational Improvements**

**Location/Council District:** Old Sacramento Historic District, Council District 1

**Recommendation:** Adopt a resolution: 1) authorizing the City Manager to execute an agreement with the Old Sacramento Business Association and the Downtown Sacramento Partnership to administer the Old Sacramento Business Improvement Area activities identified in section 3.96.030 of the Sacramento City Code and other Old Sacramento marketing and promotion activities; and 2) authorizing the City Manager to execute an agreement with the Historic Old Sacramento Foundation for the delivery of Old Sacramento historical and educational programs.

**Contact:** Barbara E. Bonebrake, Director, Convention, Culture, and Leisure Department, 808-7733

**Presenter:** NA

**Department:** Convention, Culture, and Leisure Department

**Division:** Old Sacramento Management Division

**Organization No:** 4360

### **Description/Analysis**

**Issue:** The Historic Old Sacramento Foundation (HOSF) and the Old Sacramento Business Association (OSBA) were founded in 2003 following an intensive stakeholder process. Since their formation, the HOSF and the OSBA have essentially functioned as a single organization, which has proven to dilute and encumber their separate goals. In an effort toward continuous improvement, the Convention, Culture and Leisure Department (CCL), the HOSF, and the OSBA recommend restructuring the organizations and how they function together. HOSF and OSBA functions will be separated to bring focus to their individual goals and create a more balanced program for Old Sacramento.

Upon separation of the HOSF and OSBA functions, the City of Sacramento, through the Old Sacramento Management Division, will provide management and administrative support to the HOSF to ensure its future success and expansion. The Downtown Sacramento Partnership (DSP) will assume management oversight of the OSBA programs and activities, including administration of the Old Sacramento Business Improvement Area (OSBIA). Attachment 1 depicts the proposed Old Sacramento organizational structure.

The HOSF and DSP will collaborate and cooperate with each other and the City, State, and other Old Sacramento stakeholders to develop, manage, and promote a single vision for Old Sacramento and align all activities with that vision in order to create a comprehensive, integrated, and quality program for the Old Sacramento Historic District.

**Policy Considerations:** Entering into agreements with the HOSF and the OSBA/DSP is consistent with the City's strategic plan to enhance sustainability and livability and expand economic development in Sacramento.

**Environmental Considerations:** The proposed activity is not subject to environmental review under the California Environmental Quality Act (CEQA), California Code of Regulations, title 14, section 15060 because it is not a project under CEQA.

**Rationale for Recommendation:** Separation of the HOSF and OSBA will serve to clarify and further define their respective roles and responsibilities. The HOSF will focus on Historic District programming, education, and development of support for historic interpretation. Administration and management of the HOSF by the City will provide the HOSF with a consistent, supportive foundation on which to grow and develop. The long-term goal will be to integrate the HOSF with the Discovery History Museum's organization and programming in Old Sacramento.

The OSBA will operate under the DSP and will focus on marketing and promotion of the retail area and business development. The OSBA will continue to serve as the organization charged with administering the Old Sacramento Business Improvement Area (BIA), now with direct oversight by the DSP. The DSP, with a proven track record for promoting and enhancing downtown Sacramento, will bring its resources to management and operational oversight for all OSBA programs and activities, allowing the OSBA to flourish.

The Historic Old Sacramento Foundation and Old Sacramento Business Association Board of Directors approved the two agreements on January 23, 2008. The Downtown Sacramento Partnership Board of Directors approved the OSBIA agreement on February 20, 2008.

**Financial Considerations:** The Old Sacramento Management Division General Fund budget is approximately \$1.1 million with the majority of costs offset by revenue from Old Sacramento leases, concessions, and parking meters. The proposed agreements with the HOSF and the OSBA/DSP will be funded with existing resources.

Consistent with previous agreements with the HOSF, the City will provide the HOSF \$10,000 per year as seed money to support HOSF programs and activities. The City may also provide funding in an amount not to exceed \$100,000 annually based upon available resources.

The proposed agreement with the OSBA/DSP establishes the OSBA/DSP as the entity charged with administering the Old Sacramento BIA funds. In accordance with BIA Law, the City will collect the assessments from businesses within the BIA when it collects the general business operations tax. Estimated annual BIA revenue is \$130,000 and funds collected by the City from businesses within the BIA will be disbursed to the OSBA monthly. The City will provide up to \$82,000 in direct funding to the OSBA from the existing Old Sacramento Division budget to supplement the BIA assessment revenue for the purpose of promoting and enhancing the Old Sacramento Historic District. The OSBA has also committed to raise at least \$40,000 per year from the HOSF programs.

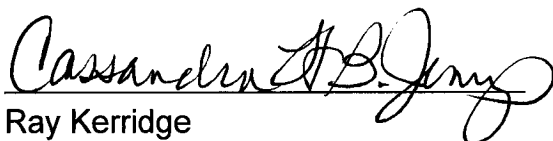
Both agreements include the ability for the City to reduce support consistent with reductions in other City General Fund operations.

**Emerging Small Business Development (ESBD):** The agreement between the OSBA, the DSP, and the City is awarded pursuant to Sacramento City Code section 3.96.030. The agreement between the HOSF and the City is not appropriate for an RFP or RFB process; therefore, the SBE/EBE participation requirements identified in section 3.60.260 of the Sacramento City Code are not implicated.

Approved by: Barbara E Bonebrake

Barbara E. Bonebrake, Director  
Convention, Culture, and Leisure Department

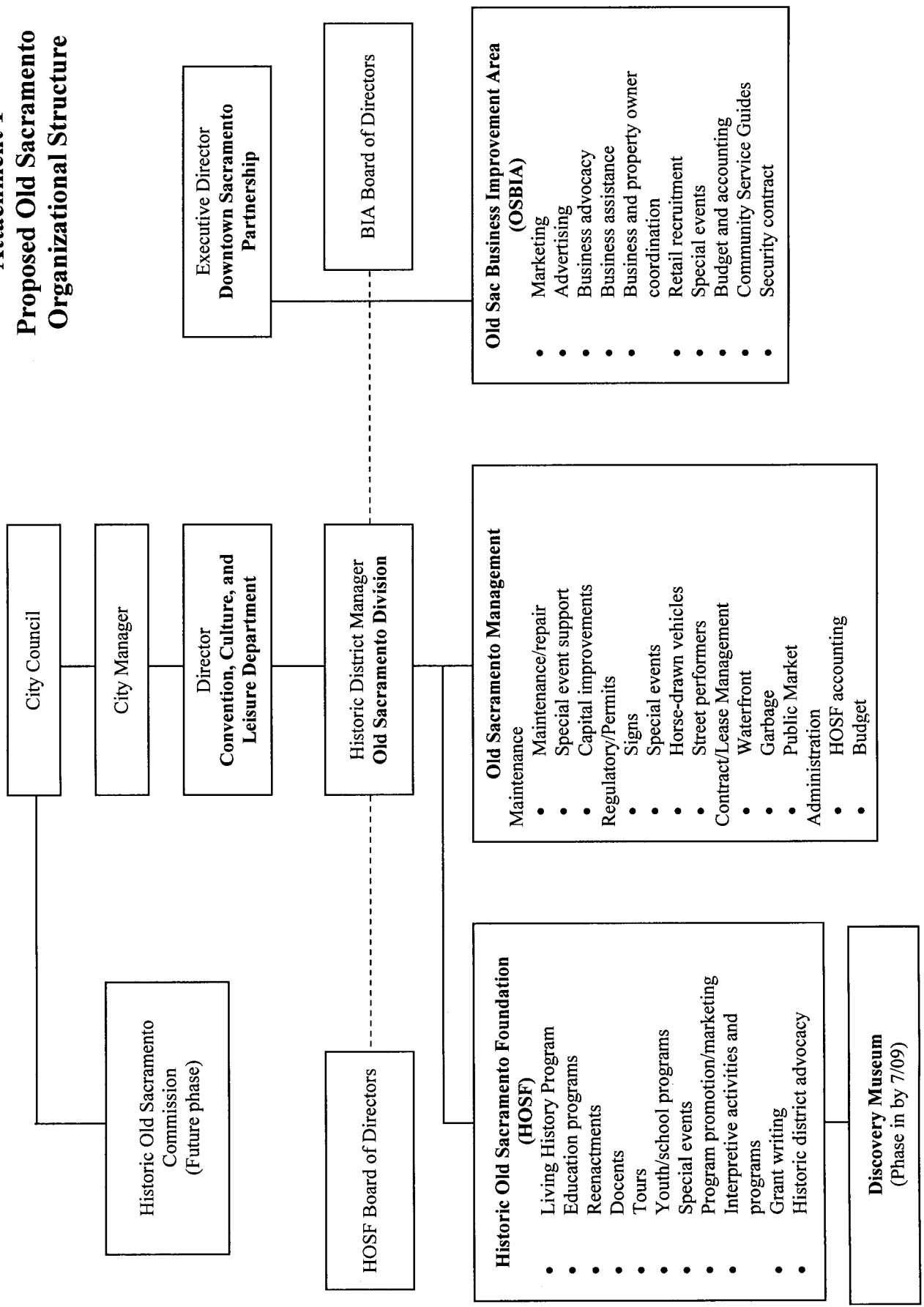
Recommendation Approved:

  
for Ray Kerridge  
City Manager

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**Attachment 1 -  
Proposed Old Sacramento  
Organizational Structure**



**RESOLUTION NO. 2008-XXX**

Adopted by the Sacramento City Council

**AUTHORIZING THE CITY MANAGER TO EXECUTE AGREEMENTS WITH THE OLD SACRAMENTO BUSINESS ASSOCIATION/DOWNTOWN SACRAMENTO PARTNERSHIP AND THE HISTORIC OLD SACRAMENTO FOUNDATION**

**BACKGROUND**

- A. The Historic Old Sacramento Foundation (HOSF) and the Old Sacramento Business Association (OSBA) were founded in 2003. In an effort toward continuous improvement, the Convention, Culture and Leisure Department, the HOSF, and the OSBA recommend separating the HOSF and OSBA functions to bring focus to their individual goals and create a more balanced program for Old Sacramento.
- B. Upon separation of the HOSF and OSBA functions, the City of Sacramento, through the Old Sacramento Management Division, will provide management and administrative support to the HOSF to ensure its future success and expansion. The Downtown Sacramento Partnership (DSP) will assume management oversight of the OSBA programs and activities, including administration of the Old Sacramento Business Improvement Area.
- C. The Sacramento City Council established the Old Sacramento Business Improvement Area in 1984. Section 3.96.080 of the Sacramento City Code authorizes the City Council to contract with an entity for the administration of the BIA's activities if, in the City Council's opinion, the entity (1) is capable of representing the interests of the businesses in the area; (2) has general objectives that are consistent with the purposes of the Chapter; and (3) will provide the resources to effectively achieve those objectives. The City Council finds that the OSBA, with management oversight provided by the DSP, is such an entity.
- D. The Historic Old Sacramento Foundation and Old Sacramento Business Association Board of Directors approved the two agreements on January 23, 2008. The Downtown Sacramento Partnership Board of Directors approved the OSBIA agreement on February 20, 2008.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

## Old Sacramento Organizational Improvements

- Section 1. The City Manager is authorized to execute the agreement, attached hereto as Exhibit A, with the Old Sacramento Business Association and the Downtown Sacramento Partnership to develop, coordinate, and implement a full range of programs, events, and activities to market and promote the Old Sacramento Historic District.
- Section 2. The City Manager is authorized to execute the agreement, attached hereto as Exhibit B, with the Historic Old Sacramento Foundation to develop, coordinate, and implement a full range of programs, events, and activities to preserve and protect the Old Sacramento Historic District and to conduct successful preservation, educational, interpretive, historical, and entertainment programs.