

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

JUNE 17, 1997

CALL TO ORDER

The Regular Meeting of the Sacramento City Council was called to order by Mayor Serna at 7:00 p.m. on the above date in the City Council Chamber located at 915 I Street.

ROLL CALL

Present: Council members Cohn, Fargo, Hammond, Kerth, Pannell, Steinberg, Waters, Yee and Mayor Serna

Absent: None

PLEDGE OF ALLEGIANCE was led by Mayor Serna

Economic Development/Neighborhood and Public Safety Issues

9.0 SPECIAL PRESENTATIONS/GENERAL COMMUNICATIONS

9.1 Recognition of Sacramento Delegation who attended the All-America Cities Competition Program

Mayor Serna spoke about how well received the Sacramento delegation was in Kansas City, Missouri and said he was proud to have been a part of it.

Mayor Serna acknowledged the donors who made it possible for the 43 delegates to travel to Missouri. He also acknowledged the Public Library, the Utilities department, and the Sacramento Bee for their contributions.

Councilman Pannell stated that it was a pleasure to participate and especially thanked City Manager Bill Edgar and Jamie Potts.

David Martinez, Deputy City Manager, thanked all those involved, especially Renee and Ted Scott who assembled the photo album.

Bill Edgar, City Manager, expressed his gratitude to staff and all the members of the community who made the endeavor so rewarding.

Mayor Serna presented a card and tee-shirt to Jamie Potts for all her hard work.

Jamie Potts spoke of the pride that she felt for Sacramento by participating in this event.

10.0 PUBLIC HEARINGS

- 10.1 Citywide Landscaping and Lighting District: (D-All)
- A. Conduct the public hearing
  - B. Adopt resolution overruling protests
  - C. Confirm report and levying FY 1997/98 Annual Assessments
  - D. Amend the FY 1997/98 Budget
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Karen Shipley, Special District Analyst, informed the Council that the Citywide Landscaping and Lighting (L&L) district was formed in June, 1989. The district provides funding for the maintenance and rehabilitation of City parks and other public landscaped areas, street tree maintenance and the energy and maintenance costs of street lights throughout the City. Property owners were assessed in accordance with a series of benefit formulas adopted by City Council at district formation. Annual assessments were paid by property owners with their regular County property taxes.

Ms. Shipley said the L&L program contained a provision for an annual adjustment in budget and assessments to account for inflation, which was based on the Consumer Price Index (CPI), but not to exceed 3%. The proposed budget reflects an adjustment in assessments of 2.4% based on the January, 1997 CPI.

Councilman Steinberg asked what would happen to the \$200,000 surplus in the current year's budget.

Ms. Shipley replied that it would be used in next year's budget for expenses.

A motion was made by Councilman Waters, seconded by Councilwoman Fargo to close the hearing and to adopt Resolutions 97-343, 97-344, and 97-345 related to the Citywide L&L. The motion carried with a 8-0 roll call vote, with Councilman Pannell being absent.

RESOLUTION 97-343

RESOLUTION OVERRULING PROTESTS FOR THE CITYWIDE  
LANDSCAPING AND LIGHTING ASSESSMENT DISTRICT.  
FOR FY 1997-98

RESOLUTION 97-344

RESOLUTION CONFIRMING DIAGRAM AND ASSESSMENT  
AND LEVYING ASSESSMENT FOR THE CITYWIDE  
LANDSCAPING AND LIGHTING ASSESSMENT  
DISTRICT FOR FY 1997-98 (PURSUANT TO THE  
LANDSCAPING AND LIGHTING ACT OF 1972)

RESOLUTION 97-345

RESOLUTION ADOPTING THE FY 1997-98 BUDGET FOR  
ASSESSMENT DISTRICT NO. 2 - CITYWIDE LANDSCAPING  
AND LIGHT DISTRICT, PURSUANT TO THE LANDSCAPING  
AND LIGHTING ACT OF 1972

11.0 STAFF REPORTS

11.1 Budget Reports:

- A. Landscape and Lighting District (see Public Hearing, item 10.1)

- B. Downtown Department: (D-1)
1. Restructuring [oral report]
  2. Convention Center status and fund balance
  3. Convention Center Business Plan
  4. Off-street Parking report

C. Cultural Arts Consortium

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Item 11.1B 1

Betty Masuoka, Deputy City Manager, spoke of the restructuring of the City departments for financial and operational efficiencies. She said the proposed actions and recommendations of management for the Convention Center were: interfund borrowing, ADA defunding and the conceptual approval by the Council of the proposed Downtown Department. This would enable the City to realize additional savings to the Community Center Fund by sharing administrative expenses throughout the proposed department including Parking Funds and Sacramento Housing and Redevelopment Agency share of tax increments in the Downtown area.

Ms. Masuoka spoke of budget reductions listed on page 114 of the budget document to include \$60,000 in park maintenance workers, \$65,000 in special events and \$35,000 in the Services and Supplies budget.

Bill Edgar, City Manager, spoke about the history of the budget over the previous few years. He said the City's budget had been reduced by over \$36 million and 600 positions had been eliminated.

Mr. Edgar also spoke about deferring maintenance and of identifying other revenue sources, especially grants. He said the Sacramento Decisions process was unique because it involved a greater number of the public and identified efficiencies for staff.

Mr. Edgar said the third phase of the process was to implement staff's recommendations by further flattening the organization, and restructuring the departments. He realized that the restructuring of the Visitors and Convention Bureau department and the creation of the Downtown department were controversial moves.

According to Mr. Edgar, services to the downtown were fragmented, and the creation of a downtown department would allow the City to deliver the best service in the most cost effective manner. He said General Fund costs would be reduced; the City would be streamlining the development process and would "speak with one voice"; there would be better coordination between the downtown projects and City departments; and there would be an enhanced ability to leverage downtown projects with Parking and the Convention Center.

Mr. Edgar spoke about how this recommendation would impact SHRA. He said \$850,000 of TI money would be transferred to the City for Economic Development; there would be no impact on funding for housing or social services. The changes would be formalized in the Agency's 1998 budget.

Mr. Edgar used charts which showed the SHRA downtown area resources at \$22.7 million, and expenditures, with staff, at \$22.73 million. He said he felt the recommendation was appropriate and should be approved.

He informed the Council that the Commission had met on this issue and felt all services should be consolidated, but integrated into the Agency.

Mr. Edgar informed Council that if they approved his recommendation,

staff would refine the plan and define the positions and their relationship with SHRA. He said he would work with all involved to define the Agency's future. According to Mr. Edgar, the next step was to take back the block grant program.

Mayor Serna asked how the Housing Program would change; Mr. Edgar replied there would be no change.

Mayor Serna asked about the JPA between the Board of Supervisors and the City in relation to SHRA.

Mr. Edgar replied that it was not a traditional JPA and that the City Council was the agency for the City. He added that the City had lots of vision, what it needed now was focus and execution.

Mayor Serna asked about the Commission's suggestion on solving the City's budget problem.

Mr. Edgar replied both recommendations would solve the financial problems; either the City uses SHRA's money and is in charge, or SHRA takes on all the responsibility, and the City would be out of the picture.

Councilwoman Fargo agreed that services were fragmented downtown. She asked Mr. Edgar what he meant by consolidating.

Mr. Edgar replied by consolidating he meant the planning and the facilities.

Ms. Fargo asked about social services; Mr. Edgar replied the County was in charge of social services.

Councilman Steinberg expressed concern about social services siting.

Mr. Edgar replied that the City had been working with County staff on this issue. He said when the downtown has problems with the homeless, the Council gets criticized, not the Board of Supervisors.

Councilman Cohn commended Mr. Edgar for his bold proposal.

Councilwoman Hammond stated that she continues to be amazed at the amount of work City staff does. She asked if this proposal would endanger economic development in other enterprise zones in the City. Mr. Edgar replied no, it would not.

Ms. Hammond asked what would happen to the Economic Development division employees. Mr. Edgar replied they would be placed somewhere else in the City.

Mr. Edgar explained there were three areas of economic development: where it applied to downtown; where it applied to neighborhoods; and where it applied City-wide.

Mayor Serna stated that he did not believe that regionalism would end because of the City Manager's recommendations.

#### Public Testimony:

The following people spoke against the City Manager's recommendations: SHRA Commissioners Luis Cespedes, Christi Newsome, Karolyn Simon, Loda Mae Dobbins, Carl Amundson, Jim Hoag, Bobbie Harland, and Lux Taylor; and Jon Robinson, Chris Glaudel, Stacie Clary, Ron Javor, Imm Ong, Gayle Madsen, and Rachel Iskow.

The following people spoke in support of the City Manager's recommendations: Red Baner, Brooks Truitt, Dick Walker, and Linda

Whitney.

Mayor Serna thanked everyone who testified and promised to protect public housing.

Mr. Edgar reiterated that the Council would have to make a decision whether to have the downtown services under the City's purview or the Agency's. This was necessary before staff could begin drafting a plan.

Mayor Serna discussed the confusion that had existed over bringing theaters to the downtown area due to the Capitol view policy. He said both agencies missed this factor when working on the theater project.

Councilwoman Fargo said she felt more discussion was necessary, especially with those people who were objecting to the Manager's recommendations, before she would be able to vote.

Councilman Cohn stated that he wanted to honor the Manager's request but wondered if it were possible to have the downtown department without the 7 positions from SHRA.

Mr. Edgar replied that the budget would have to be developed based on a threshold decision. He said staff needed direction from Council.

Mr. Cohn said he felt the City was moving in the right direction, and added he was ready to vote tonight.

Councilman Steinberg questioned if the Council could vote on this decision tonight.

Sam Jackson, City Attorney, replied yes, the Council could vote on it this evening.

Mr. Steinberg stated he was concerned with the process, and wanted to bring people along who were objecting to this move. He asked if the vote this evening was to give direction or for final approval.

Mr. Edgar replied staff needed approval of the recommendation, subject to working out the details and implementation.

Mayor Serna said the recommendation for CDBG projects was pending review of the City Manager and staff.

Mr. Steinberg said he was concerned with Human Resource organizations such as SETA.

Councilman Kerth said the real issue was reducing confusion and forming an organized City government.

Councilwoman Hammond stated that there was too much information being presented to Council. She felt more time was needed to discuss this issue.

A motion was made by Councilman Cohn, seconded by Councilman Pannell to approve staff recommendations in concept. The motion carried with a 7-0 roll call vote, with Councilwomen Fargo and Hammond abstaining.

Note: Items 11.1B 2 and 3 were continued to June 18, 1997.

Item 11.1B 4 was received and filed with no discussion.

Item 11.1 C

Betty Masuoka, Deputy City Manager, spoke about the Cultural Arts Consortium and said each section of the Consortium would be able to

assist the other sections. She said it would not be a department, but rather, would be placed in Administrative Services, however reporting directly to a Deputy City Manager.

Ms. Masuoka showed a chart of the Consortium which included the Crocker Art Museum; Archives; Metropolitan Arts Commission; City Cemetery; Zoo; Fairytale Town; Golf; and History, Science and Technology. She stated that the Crocker Art Museum would be closed one day, making it a 5-day operation. There would be no cuts to the Zoo or Fairytale Town because of the City's agreements with the Zoological Society.

Councilman Cohn asked about the availability of the Cable rebate money.

Ms. Masuoka replied that Council had voted to place this money in the City's Reserve fund.

Mr. Cohn recommended cutting the reduction to the Arts in half and using money from the Reserves to make up the difference.

Councilman Waters agreed with Mr. Cohn's idea and asked the Manager of Crocker Museum if that would allow them to remain open 6 days a week.

Stephen McGoughm, Crocker Museum Manager, replied yes, it would.

The following people spoke against any cuts to the Crocker Museum: Tim Taron; Lucille Vlahos; Nancy Lawrence; and Gerry Kamilos.

Mr. McGoughm spoke of the difficulty of raising funds for the museum and of the reduction in available grants.

Mr. Edgar spoke against the Council's proposed action to reduce this section's cuts and to use money from the reserves. He said it pitted one division against the other, and sent the wrong message.

Ms. Fargo said she was concerned about whose funds they would be cutting if they did not cut the Crocker's funds.

Councilman Pannell said the Crocker does provide support to the community.

Councilman Steinberg said he would prefer to discuss this issue in context with other areas of the budget.

A motion was made by Councilman Cohn, seconded by Councilman Yee to reduce the proposed cut and to fund the balance with monies from the contingency reserve. The motion carried with a 6-2 roll call vote, with Councilwomen Fargo and Hammond voting no, and Councilman Steinberg abstaining.

12.0 SHRA

NONE

13.0 CITIZENS ADDRESSING COUNCIL AGENCY OR AUTHORITIES BY PERSONAL APPEARANCE OR TELEPHONICALLY ON MATTERS NOT ON THE AGENDA

13.1 Mike Barnbaum spoke about the Sacramento Solons.

13.2 Michelle Walker called to thank the Council for their support of the Cultural Arts Consortium.

14.0 COUNCIL IDEAS AND QUESTIONS

NONE

15.0 ANNOUNCEMENTS

NONE

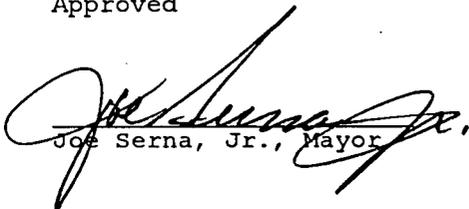
ADJOURNMENT

There being no further business to come before the Council, the meeting was adjourned at 11:08 P.M.

Submitted

  
Valerie A. Burrowes, City Clerk

Approved

  
Joe Serna, Jr., Mayor