



Agency Rpt
48

Sacramento Heritage, Inc.

630 I Street, Sacramento, California 95814 (916) 444-9210

January 8, 1985

Sacramento Heritage, Inc.
and
Sacramento City Council
Sacramento, California

CITY MANAGER'S OFFICE
RECEIVED
JAN 16 1985
APPROVED
BY THE CITY COUNCIL

JAN 22 1985

OFFICE OF THE
CITY CLERK

Honorable Members in Session:

SUBJECT: 1984 Annual Report of Sacramento Heritage, Inc.

SUMMARY

Enclosed is the 1984 Annual Report of Sacramento Heritage, Inc. This report summarizes the activities of the corporation from January, 1984 through December, 1984.

BACKGROUND

Sacramento Heritage, Inc. has operated since 1975 as a private, non-profit preservation and development corporation. Its main purposes are preservation-related activities which include acquisition, improvement, restoration, preservation, leasing and disposition of historically or architecturally significant real properties in the City of Sacramento. In addition, Heritage's Articles of Incorporation outline its intent to provide housing for moderate- 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 community in which Heritage operates.

Heritage underwent a reorganization in 1983. The reorganization plan was adopted by the City Council in January of 1983. This reorganization involved changes to the Bylaws, to bring them into conformance with a change in the number of Directors, the appointment of new Directors to the Board, and the identification of programs and funding for the 1984 calendar year. The new Board of nine Directors (see Exhibit I for listing of Directors) was formally seated in September of 1983, and began the task of identifying programs and funding for the 1984 calendar year.

1-22-85
All Districts

Sacramento Heritage, Inc.
and
Sacramento City Council
January 8, 1985
Page Two

48

As a part of the reorganization, the new Board approved a tri-level program for the 1984 year that was to include: 1) an educational program; 2) an easement program; and 3) a multiple unit low- to moderate-income residential acquisition and rehabilitation program.

Heritage received funding in the amount of \$25,000.00 from the Community Development Block Grant program for the implementation of the easement program. A Request for Proposals was advertised on February 24, 1984, and the Consultant was hired June 11, 1984. The easement program was designed by the Consultant, Les-Thomas, and put into service in September, 1984. (See Exhibit II.)

For its low- to moderate income residential program, Heritage sponsored a joint Request for Proposals with the Redevelopment Agency for a demonstration Single-residency Hotel. Due to the terms of the proposals received from interested developers, the Agency took a lead role in this project with Sacramento Heritage remaining in a back-up position. The Agency has now become the lead agency in conjunction with the State of California for this particular project. Heritage, therefore, has approached various local developers concerning joint-venture participation on other residential/rehabilitation projects. They are now negotiating on two such projects within the downtown area. In addition, Heritage is looking very closely at participation, again as a joint-venture, in market-rate residential (new construction) in the Alkali Flat area. This project would be based upon the Agency's Redevelopment Plan and Implementation Strategy that was recently adopted.

Heritage's educational program was reassessed in September, 1984, and the Board decided to hold one educational workshop (rather than the three that were originally identified). The educational workshop for the easement program was conducted in October, 1984, by Consultants, Les-Thomas.

On going projects which were inherited by the new Board were two rehabilitation projects: 517 - 8th Street and 1010 F Street. Substantial completion of 517 - 8th Street occurred in September of 1983, and final completion of 1010 F Street occurred in June, 1984.

At the end of 1984, the Board of Sacramento Heritage reviewed the progress of the corporation in relation to the goals established in their Articles of Incorporation. The Board determined that, having completed all those work programs that they set out to accomplish in 1984, as well as the two ongoing rehabilitation projects they inherited in 1983, it was time to reassess the strategy

Sacramento Heritage, Inc.
and
Sacramento City Council
January 8, 1985
Page Three

48

of the organization. The Board decided that substantial progress, in terms of the implementation and completion of housing and preservation projects, could not be expected unless Heritage had a mechanism for generating revenue that could then be revolved into projects. Therefore, at the end of the 1984 year, the Board voted by resolution to request a development fund of \$500,000 from the Downtown Plan Update Starter Project Fund. This request was made to the Acting Executive Director of the Agency. Subsequently, the Agency recommended in the staff report for the Plan Update and Starter Projects as a first priority funding category for starter projects. Heritage is now waiting for the approval and adoption of these recommendations by the Advisory Committee, the SHRA Commission, and the City Council. Upon adoption, Heritage has a highly visible project on line and will begin implementation immediately. It is hoped that adoption will occur by March of 1985, in order that Heritage may take advantage of what it believes will be a prime financing market.

FINANCIAL DATA

The balance in Heritage's treasury at the end of 1984 was \$43,000; funds left in the easement program CDBG account were \$7,000, and those will be returned to the CDBG program. The fund balance at the end of the 1983 fiscal year was \$53,000, leaving \$10,000 spent for operating costs during the 1984 fiscal year. With the adoption of the Downtown Plan Update and Starter Projects by the membership, Heritage will receive \$500,000 from tax increment funds to act as a downtown development fund.

Heritage has one project on line that will begin immediately following the adoption of the Plan and Starter Projects, and is presently negotiating for a second substantial project that will involve residential, commercial, and office. The first project now on line involves commercial (restaurant/retail) and limited office. Both projects involve preservation and are within the City-identified Preservation Areas.

POLICY IMPLICATION

The actions proposed in this staff report are consistent with previously approved policy and there are no policy changes being recommended.

48

Sacramento Heritage, Inc.
and
Sacramento City Council
January 8, 1985
Page Four

RECOMMENDATION

The staff recommends adoption of the attached resolution which approves the 1984 Annual Report and submits the Report to the City Council for adoption.

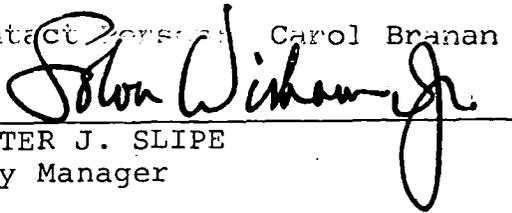
Respectfully submitted,


ANDREW J. PLESCIA
Acting Executive Director

1/8/85/CS:rom

TRANSMITTAL TO COUNCIL:

Contact Person: Carol Branan



For:

WALTER J. SLIPE
City Manager

48

RESOLUTION NO. 85-063

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

January 22, 1985

APPROVAL OF 1984 ANNUAL REPORT
SACRAMENTO HERITAGE, INC.

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

Section 1. The 1984 Annual Report submitted
by Sacramento Heritage, Inc., is hereby approved.

MAYOR

ATTEST:

CITY CLERK

APPROVED
BY THE CITY COUNCIL

JAN 22 1985

OFFICE OF THE
CITY CLERK

k

48

SACRAMENTO HERITAGE, INC.Board of Directors

| <u>Director</u> | <u>Representing</u> |
|----------------------------------|--------------------------|
| Lanny Tobe, Chairperson | Member-at-large |
| Rick Stevenson, Vice-Chairperson | Member-at-large |
| Vacant | Member-at-large |
| Neil Fairbanks | Housing Code/Appeals |
| Gary Herrlinger | Member-at-large |
| Shirley Moss | Member-at-large |
| Richard Terramoto | Redevelopment Commission |
| Mark Ryser | Design Review Board |
| William Ishmael | Planning Commission |