

APPROVED
BY THE CITY COUNCIL

1.16

MAR 31 1998

OFFICE OF THE
CITY CLERK

**CITY OF SACRAMENTO
CALIFORNIA**

DOWNTOWN DEPARTMENT
OFFICE OF DOWNTOWN DEVELOPMENT

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SACRAMENTO, CA 95814

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March 11, 1998

City Council
Sacramento, California

Honorable Members in Session:

**SUBJECT: RECOGNITION OF CAPITOL STATION DISTRICT, INC. (CSDI) ADVISORY
FUNCTIONS IN THE RICHARDS BOULEVARD REDEVELOPMENT AREA**

**LOCATION AND COUNCIL DISTRICT: Southern Pacific Railyards, Richards Boulevard Area,
Downtown - District 1**

RECOMMENDATION:

This report recommends that the City Council approve the attached Resolution which:

- Recognizes the Capitol Station District, Inc. as the advisory body to the City Council on all redevelopment matters in the Richards Boulevard Redevelopment Area (including both the Railyards and Richards Boulevard planning areas); and
- Dissolves the Richards Boulevard Advisory Committee, effective immediately.

CONTACT PERSON: Wendy S. Saunders, Downtown Development Manager, 264-8196
Paul Blumberg, Sr. Mgmt. Analyst, Downtown Development, 264-7204
Connie Miottel, Capitol Station District, 553-9286

FOR COUNCIL MEETING OF: March 31, 1998

SUMMARY:

City staff has assisted Richards Boulevard stakeholders in development of a community-based development corporation, Capitol Station District, Inc (CSDI), to promote development of the Richards Boulevard/Railyards planning areas and to assume responsibility for various district management functions. This report recognizes the CSDI as the representative community advisory body for the Richards Boulevard Redevelopment Project Area, and recommends dissolution of the previously appointed Richards Boulevard Advisory Committee (RBAC).

COMMITTEE/COMMISSION ACTION:

At a specially scheduled meeting on March 2, 1998, the Richards Boulevard Advisory Committee recommended approval of the attached Resolution. The vote of the RBAC was as follows:

Yes: Casey, Lacin, Pevey, Fadness, Ayers, Fletter
No: None
Abstain: None

On February 25, 1998, the Capitol Station District, Inc. Executive Board recommended approval of the attached Resolution. The vote of the CSDI was as follows:

Yes: Lacin, Enos, Gallardo, Ayers
No: None
Abstain: None

BACKGROUND:

- On January 17, 1996, the City Council established the Richards Boulevard Advisory Committee (RBAC) to advise the City Council on revitalization matters in the Richards Boulevard Redevelopment Project Area. Subsequently, members of the RBAC began the process of developing a new "community-based development organization" to promote business development in the Project Area. Regular meetings were held with Sacramento Housing and Redevelopment Agency staff to develop an organization model similar to the Downtown Sacramento Partnership and Old Sacramento Management Board.
- In July 1997, Capitol Station District, Inc. (CSDI) was formed as a 501(c)(3) nonprofit corporation, and established a Board of Directors to oversee the organization. The Board of Directors included members of the RBAC, and the new organization has closely coordinated its activities with the RBAC. Start-up operations and the first year of operating expenses were funded through a \$75,000 Community Development Block Grant (CDBG). In October 1997, the CSDI hired an Executive Director to staff the organization, and commenced a membership drive. The organization has targeted its membership drive to property and business owners within the Richards Boulevard Redevelopment Project Area (see Attachment I, Boundary Map.)
- While the RBAC meets once a month to "advise" on redevelopment matters, the CSDI has focused on actual development of projects, programs, and activities. In recent months, the organization has taken the lead in the 7th Street Acceleration Task Force, management of the social service complex security patrol, and other high-priority community issues. A summary CSDI programs, projects, and activities is included as Attachment II.
- At this time, City staff is recommending that the RBAC be dissolved, and that the CSDI be recognized by City Council as the representative advisory body for the Richards Boulevard area. This action will create an effective organization that will broaden the participation of the community, and create a successful model for public-private partnership. With the reemphasis of redevelopment activities from a planning to an implementation phase, staff believes the new organization will take in overall management of the district. Current RBAC members who are not yet members of the CSDI may become members and continue to contribute to revitalization of the Richards Boulevard area.
- From an organizational standpoint, the CSDI will include a Board of Directors composed of a balanced representation of property and business owners. Ex officio members of the Board will include the Mayor, Councilmember for District 1, County Supervisor for District 1, and Director of the City's Downtown

Department. In order to provide an opportunity for regular membership participation, the business of the organization will be conducted through "advisory councils," meetings of which are open to all members. A summary of the CSDI organizational structure is included as Attachment III and the By-Laws are included as Attachment IV.

FINANCIAL CONSIDERATIONS:

In the past, the Sacramento Housing and Redevelopment Agency has budgeted \$8,500 for RBAC administration, plus commitment of staff time to provide administration to the organization. This administrative cost will no longer be necessary with dissolution of the RBAC, however there will be no change in the overall staff commitment to the project area.

In 1997, the City budgeted \$75,000 for start-up and first-year operations of the CSDI. In the City's 1998/1999 budget, staff will propose an additional \$75,000 for the second-year operations. However, as a part of this additional funding, CSDI will be required to develop programs to achieve financial self-sufficiency beginning in year 2000.

ENVIRONMENTAL CONSIDERATIONS:

The proposed action recognizing a community advisory body is not a project as defined by CEQA Guidelines Section 15378(b)(5).

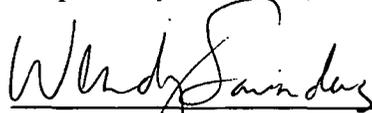
POLICY CONSIDERATIONS:

The recognition of a community-based development corporation [501(c) nonprofit] as an advisory body to the City Council on redevelopment matters is consistent with City policy and California Redevelopment Law. In 1994, the City Council similarly recognized the Old Sacramento Management Board as the representative of the Old Sacramento Historic District. Since the CSDI is operating as a 501(c)(3) nonprofit organization, and operating under a board of directors, appointment of members by the City Council will no longer be required.

MBE/WBE:

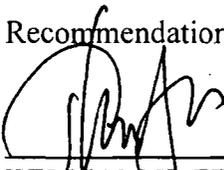
No goods or services are being procured with this action; therefore City MBE/WBE policies do not apply.

Respectfully submitted,



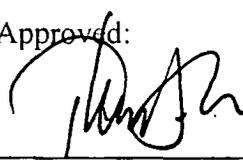
WENDY SAUNDERS
Downtown Development Manager

Recommendation Approved:



WILLIAM H. EDGAR
City Manager

Approved:



THOMAS V. LEE
Deputy City Manager

APPROVED
BY THE CITY COUNCIL

MAR 31 1998

OFFICE OF THE
CITY CLERK

RESOLUTION NO. 98-098

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

A RESOLUTION RECOGNIZING
THE CAPITOL STATION DISTRICT, INC. (CSDI)
AS COMMUNITY ADVISORY BODY TO THE CITY COUNCIL

WHEREAS, on January 17, 1996 the City Council established the Richards Boulevard Advisory Committee (RBAC) as community advisory body to the City Council on redevelopment matters in the Richards Boulevard Redevelopment Project Area (including both the Railyards and Richards Boulevard Area planning districts); and

WHEREAS, Richards Boulevard stakeholders desired to form a community-based development corporation, modeled on similar organizations such as the Florin Road and Downtown Sacramento Partnerships, and Old Sacramento Management Association, to further redevelopment goals and objectives in the Richards Boulevard Area; and

WHEREAS, the Capitol Station District, Inc. was incorporated as a 501(c)(3) nonprofit corporation with the objective of promoting development of the Richards Boulevard Redevelopment Project Area; and

WHEREAS, City of Sacramento Downtown Department staff has worked with members of the RBAC and CSDI to establish the new organization.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACRAMENTO AS FOLLOWS:

1. The Capitol Station District, Inc. is recognized at the advisory body to the City Council on all redevelopment activities in the Richards Boulevard Redevelopment Area (including the Railyards and Richards Boulevard Area planning districts).
2. The Richards Boulevard Advisory Committee (RBAC) is dissolved, effective immediately.

ATTEST:

MAYOR

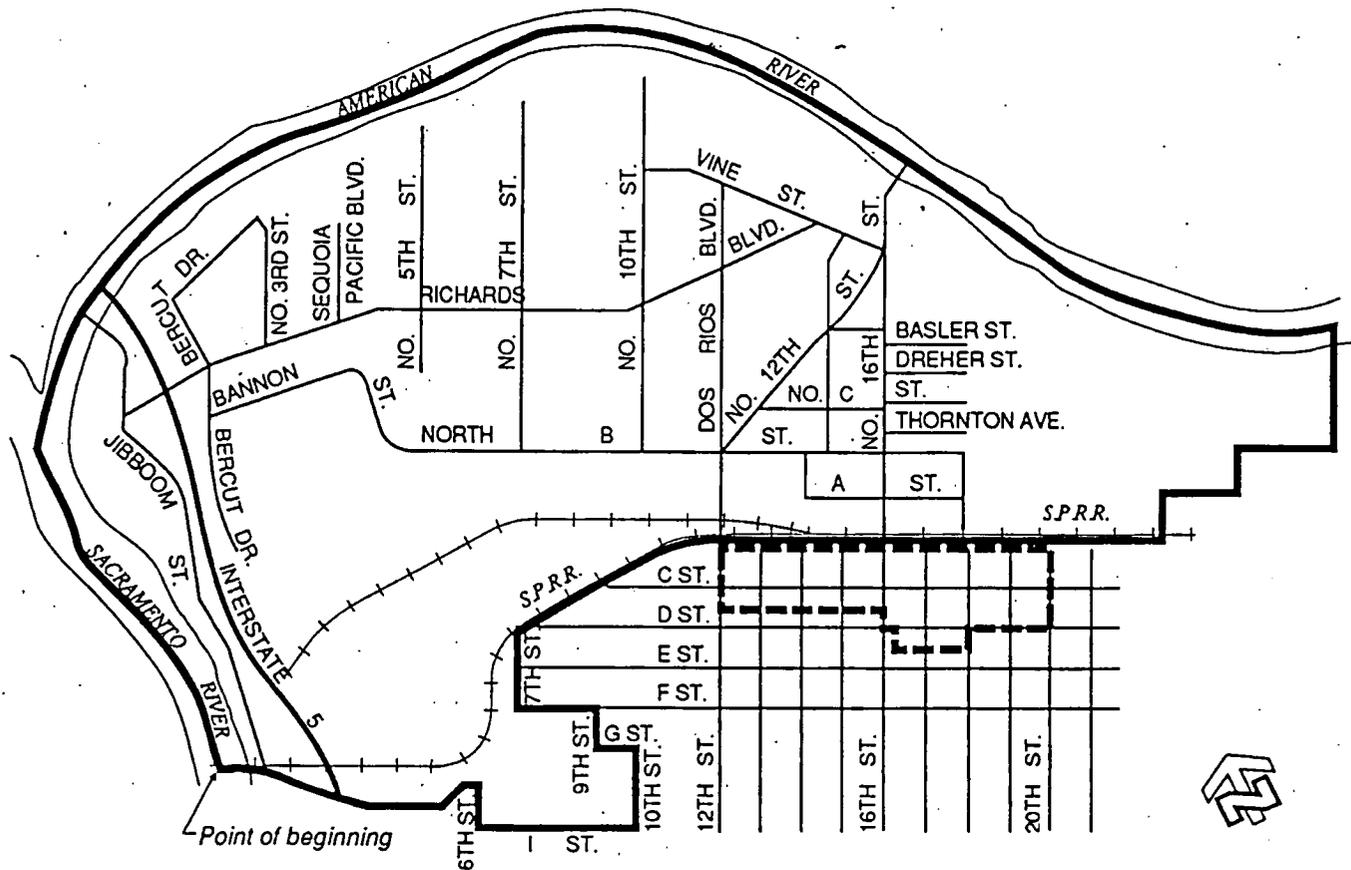
CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO: _____

DATE ADOPTED: _____

THE CAPITOL STATION DISTRICT, INC. (CSD) BOUNDARY MAP



- Richards Boulevard Original Project Area Boundary
- - - Area Added by Second Amendment

CAPITOL STATION DISTRICT, INC.

PROJECTS, PROGRAMS, AND ACTIVITIES

CLEAN	<ul style="list-style-type: none">• Ensure that City provides "baseline" services (i.e., weed abatement, code enforcement, etc.) through coordination with City Neighborhood Services• Community cleanups• Work with Salvation Army NABORS program on providing enhanced cleanup services (within public right-of-way)
SAFE	<ul style="list-style-type: none">• Manage County DHA funded Richards Boulevard security patrol• Work with City police on NPO response and anti-camping enforcement• Manage crime watch program for pattern and serial crimes
BUSINESS DEVELOPMENT	<ul style="list-style-type: none">• Contact potential businesses targeted for "business attraction"• Intervene when businesses are considering leaving the area• Coordinate closely with City Departments (access existing or future business development programs)
MARKETING & PROMOTIONS	<ul style="list-style-type: none">• Preparation of marketing materials• Provide current district information via fax and newsletter• Media relations• Communication with area commercial brokers
ADMINISTRATION	<ul style="list-style-type: none">• Develop membership• Develop strategic plan• Establish balanced representation on CSDI Board• Pursue future funding (voluntary dues, BID, PBID, etc.)

<p>ADVOCACY</p>	<ul style="list-style-type: none"> • Funding for all redevelopment programs and activities, particularly those of highest priority to the Richards Boulevard community
<p>SPECIAL PROJECTS</p>	<ul style="list-style-type: none"> • Transitional Living & Community Services relocation • Auto Mall development • Richards Boulevard street improvements (N. 7th to N. 12th)
<p>ADVISORY</p>	<ul style="list-style-type: none"> • Social Service Complex Advisory Committee • 7th Street Task Force • City LINKS • NEAT Study

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**CAPITOL STATION DISTRICT, INC. (CSDI)
SUMMARY OF
ORGANIZATIONAL STRUCTURE**

	CSDI
Mission Statement	Capitol Station District, Inc., a non-profit business and property owner organization which manages and promote programs to strengthen the economic and cultural viability of the Richards Blvd./Railyards areas and serves as a unified voice for the community.
Designation of Organization	<ul style="list-style-type: none"> - 501 (c)3 non-profit corporation - Proposed to be recognized by City Council as advisory body in representing Richards Boulevard businesses and property owners
General Membership	Open to all
Membership of Board of Directors	<p>Membership on Board open to all businesses and property owners within the Richards Boulevard Redevelopment Area. Board membership will include:</p> <ul style="list-style-type: none"> - business owners; - property owners; - real estate professionals; and <p>ex officio membership by the Mayor, Councilperson District #1, County Supervisory for District #1 & City Downtown Dept. representative</p> <ul style="list-style-type: none"> - 15 member Board of Directors - CSDI Board determined by membership and nominations subcommittee
Board working committees	<p>Subcommittees are open to all members and include:</p> <ul style="list-style-type: none"> - executive committee; - marketing & promotions subcommittee; - advisory committee; - membership and nominations; and - social service, security, and maintenance.
Membership Advisory Councils and Task Force	<ul style="list-style-type: none"> - Property Owners' Advisory Council - Business/Retail Advisory Council - Hospitality Industry Advisory Council

Meeting schedule	<ul style="list-style-type: none"> - 3x year mtgs. of entire Board of Directors and general membership - 1x month mtg. of executive committee - 4x yr. marketing/community service committee - 4x yr. membership/ nominations committee - advisory councils (to be determined) - special mtgs as needed
Staff support	<p>CSDI administrative staff Downtown Department staff City Team support</p>
Budget	<ul style="list-style-type: none"> - \$75,000 for 1997/1998. - staff recommending \$75,000 for 1998/1999 fiscal year - self sufficiency by 1999/2000
Source of funds - Administrative support	<ul style="list-style-type: none"> - City of Sacramento Downtown Department operating budget. - Membership dues - Private contributions - County Dept. of Human Assistance - Grants & Loans
Advisory function	<p>Advises City staff, City Council on revitalization matters</p> <ul style="list-style-type: none"> - 7th Street Task Force - Social Service Complex - Regulatory streamlining - New development projects - Baseline City services - Social service issues
Special Projects	<ul style="list-style-type: none"> - Completion of Richards Boulevard street improvements - Richards Boulevard Retail Market Study (*Advocate for Auto Mall development) - Safe and Clean programs - TLCS relocation, Social Service Complex construction - Richards Boulevard marketing strategy

CSD

Attachment IV

Capitol Station District
501 North 10th Street
Sacramento, CA 95814
916.553.9286
fax 916.553.9281

Capitol Station District Inc., a nonprofit business organization, manages and promotes programs to strengthen the economic and cultural viability of the Richards Blvd./Railyards/12th & 16th Street community and serves as a unified voice for the area.

The CSD is located on the northern edge of downtown Sacramento. District boundaries are the American River on the north, the Sacramento River on the west, the Union Pacific railyards on the south, and the Capital City Freeway on the east. Its three main subdistricts are:

- The Jibboom/Bercut Drive crescent, featuring a thriving hospitality industry, professional offices, and the City's Sacramento River Water Treatment Plant;
- The Richards Blvd. corridor, a mix of offices, business to business retail and services, industrial and manufacturing facilities; and
- The 12th/16th street triangle, a concentrated commercial and retail area and a major gateway to downtown Sacramento.

CSD MEMBERSHIP PROGRAM

The Capitol Station District, Inc. represents a membership made up of the following groups:

Membership Eligibility

- Individuals or groups who own one or more businesses within District boundaries.
- Employees or representatives of businesses currently operating within District boundaries.
- Individuals or groups who own or have an interest in one or more properties within District boundaries.
- Associates: District residents, local nonprofits, and other non-business groups and individuals within the District.

Membership Representation

CSD members are represented by the CSD Board of Directors and its subcommittees. Members at large have a non-voting voice at all Board of Directors meetings and are encouraged to participate in CSD decision-making processes through any or all of the following methods:

- Communicating with CSD staff by phone, fax, mail or in person (no requirements).
- Serving on an advisory council (voluntary...no Board appointment necessary...must meet a minimum of twice a year).
- Serving on a special project task force (voluntary...may be appointed by Board or nominated by an advisory council...meets on an as-needed basis).
- Serving on the Board of Directors and one or more of its subcommittees (voluntary...must be nominated and confirmed by Board in regular biannual elections...see following pages for eligibility and meeting schedules).

Membership Dues

All business and property owners in the district will be encouraged to join the CSD to support and benefit from its programs and services. Delivery of services will be directly linked to the amount of membership dues collected. Low membership turnout will result in fewer services rendered; higher than expected turnout will translate into augmented services.

For calendar year 1998, interim annual membership dues will be on a flat rate, based on size of business or property (see schedule below). Small businesses are under 10 employees; large businesses are 10 or more employees or are part of a national chain. Small business owners who own the property where their business is located will pay dues based on the size of their business. Large and/or corporate business owners who own the property where their business is located will pay dues based on the property owner rate. Dues will not be pro-rated.

CATEGORY	DUES
Small Business/Associate	\$100/yr.
Large Business/Property Owners/Developers/Sponsors	\$200/yr.
Corporate Sponsors	\$1,000/yr.

Dues for calendar year 1999 and beyond will be formulated and assessed based on membership feedback from a series of public workshops to determine a work plan for the CSD and resulting membership service programs. One of the workshop goals will be to create a dues structure that is equitable and practical for all members while meeting the fiscal obligations of the organization. Another goal will be to create a diversified funding structure for the CSD that creates self-sufficiency by FY 99/00.

All membership dues will be tied to services clearly spelled out in the annual work plan; additional services and programs will need to be funded through additional sources, such as project grants, assessment districts, and service contracts.

Membership Benefits

ADVOCACY & REPRESENTATION

Advocate for District improvements and welfare:

- 7th Street Task Force.
- City Links.
- Area 1 Team Meetings.
- Social Service Complex Advisory Committee.
- Northeast Area Transportation Study (NEATS).
- Loaves & Fishes Task Force.
- Richards Blvd. improvement & extension working group.

Represent stakeholder interests to:

- City Council & City staff.
- County Board of Supervisors & County staff.
- Regional Transit board & staff.
- Sacramento Area Council of Governments (SACOG) board & staff.
- Other community groups (e.g., Downtown Sacramento Partnership, Midtown Business Assn., etc.).

MARKETING & COMMUNICATIONS

Provide information on district-wide issues to membership:

- Monthly membership fax memo (district news, announcements, notes on current issues, security and infrastructure, latest incentives to do business in the District).
- Newsflashes, updates and noticing: last-minute information on sensitive community issues, petitions, hearings & meetings.
- District database including businesses, properties and services.

Create good public relations for the district.

- Media relations (serve as spokesperson on district issues, encourage positive media reports about the district, "spin" negative media reports on district).
- Evaluate co-op advertising opportunities for district merchants/businesses.

Research and create marketing materials.

- Deliver Retail Market Study, via Citygate Associates.
- Create district fact folder or brochure.
- Create district membership roster (cross-referenced by type of business; including map of district).

COMMUNITY SERVICE

Promote, organize and/or manage efforts to make the district cleaner and safer for people to work, live, and visit.

- Manage security patrol contract with County Dept. of Human Assistance.
- Coordinate with Salvation Army NABORS program to provide additional clean-up services to the area, including graffiti abatement.
- Serve as community liaison to the City police, public works, code enforcement, etc. to ensure adequate and timely baseline services and to augment as necessary as new problems occur.
- Crimewatch for pattern and serial crimes in the district. Sent out fax newsflashes as needed.
- Organize volunteer effort for annual community clean-up.

BUSINESS RECRUITMENT & RETENTION

Advocate continuing and new investment in the Richards Blvd. redevelopment area.

- Create and maintain current database all parcels in district, with ownership, size, current uses, vacancies, etc.
- Identify and solicit potential investors and businesses.
- Assist real estate professionals, developers, etc. in presenting advantages of the district to potential investors and businesses. Provide tours, introductions, etc.
- Serve as advocate for district property-owners and businesses to solve problems and identify incentives for remaining in the district.
- Serve as advocate to improve delivery of services from planning, building inspections, design review departments, etc.
- Spearhead efforts to create retail or business infill in the each of the three subdistricts.

EVENTS & WORKSHOPS

Plan and host events and workshops to: a.)Encourage networking of individuals and groups within the district; b.)Attract potential investors; c.)Stay current on district issues, needs and strategies.

- Host district social mixers on a quarterly basis.
- Organize 6 brown-bag lunches with themes and speakers (e.g., City police re current policing strategies; potential electric vendors re group buying power; or CPA re new tax strategies for businesses).
- Produce a series of public focus groups and workshops to develop a long-term district strategy and work plan with quantifiable goals and objectives. (1998 & 1999--this component may need additional funding for staff, printing, and consultants.)
- Host annual board retreat.

CSD Board of Directors

- Up to 15 Directors may be appointed to the CSD Board of Directors. Quorum is 50% of currently filled positions.
- Standard term for directors is 2 years and is renewable.
- First year only (beginning January 1998): half the Board, plus one, are appointed to a 3-year term. The balance of the Board will be appointed to a standard 2-year term.
- Board vacancies will be filled at the January Board of Directors meeting, by vote of the standing board of directors. The Membership & Nominations Committee will provide a slate of prospective candidates (either new or renewing incumbents) to the Board at the October Board of Directors meeting.
- 4ex officio* non-voting members for coordination and communication will be appointed by the organizations below; no term limits.
- All Directors must be 18 years or older and belong to one of the following categories:
 - a. A property owner or owner of an interest in a trust that owns property in the Richards Blvd. redevelopment area.
 - b. A business owner or owner of stock in a corporation that is based in the Richards Blvd. redevelopment area.
 - c. An agent, employee or tenant appointed by a person who belongs to any of the above categories.
- Voting Board of Directors seats:**
 1. Chair of the property owners' advisory council.
 2. Chair of the business owners'/retail advisory council.
 3. Chair of the hospitality industry advisory council (restaurant or hotel).
 4. Property owner, small.
 5. Property owner, large.
 6. Business, small (under 10 employees).
 7. Business, large (over 10 employees).
 8. At large, pref. legal or accounting expertise.
 9. At large, pref. banking, finance, or insurance expertise.
 10. At large, pref. real estate development expertise.
 - 11-15. At large. Must provide for equal representation of 3 different geographic subdistricts: Bercut/Jibboom; Richards Blvd. & side streets; 12th/16th Street triangle & side streets.
- Ex officio* non-voting seats:**
 1. Mayor of Sacramento (or proxy).
 2. City Councilmember for District 1 (or proxy).
 3. County Supervisor for District 1 (or proxy).

4. Director of the City of Sacramento Downtown Department (or proxy).

•Board of Directors' Committees:

Executive Committee (7 members).

--Operations, \$ and budget, overall policy.

--Direct policy on hot issues w/ input from appropriate committees and members.

(Task: Development of a strategic plan. Development of funding strategies. Reports from other committees and councils as necessary.)

Marketing & Promotions (5 members)

--Mixers, newsletters, internal & external communications, outreach & lobbying.

(Task: Design of a marketing strategy and materials)

Membership & Nominations (5 members)

--Membership design, development and solicitation.

--Nominations and elections of new Directors.

(Task: Design of a membership program)

Community Service Committee (5 members)

--Social service, security & maintenance issues, security patrol, nuisance abatement, code enforcement issues, community workdays, etc.

(Task: representative to attend Loaves & Fishes Task Force meetings, Social Service Complex Advisory meetings)

•Advisory Councils:

Advisory councils are open to any member of the CSD membership with no limits on numbers of participants. Advisory councils meet a minimum of twice a year and report back to the Board of Directors and its subcommittees with recommendations and findings. The chair of each advisory council sits on the Board of Directors.

Property Owners' Advisory Council.

Business/Retail Advisory Council.

Hospitality Industry Advisory Council.

Board, Committee, & Advisory Council Meeting Schedules:

- **Executive Committee** meets 1x/month, 4th Wednesday @ 4:30 p.m.
- **Board of Directors** meets 3x/year, at Executive Committee meeting time, January, May, September. Work plan for following year due September. Annual report for previous year due May. Each board member is expected to sit on at least one committee, advisory council, or ad hoc task force per two-year term.
- **Marketing and Community Service** committees meet 4x/year, dates to be set.
- **Membership & Nominations Committee** meets 4x/year, including a mandatory nominations meeting in October of odd years to renew or fill seats for terms ending that year.
- **Advisory Councils** meet minimum of 2x a year, more often as necessary. Schedule as per members.
- Special meetings may be set, or task forces and subcommittees formed to meet as needed.