



REPORT TO COUNCIL City of Sacramento

915 I Street, Sacramento, CA 95814-2604
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Public Hearing
May 23, 2006

Honorable Mayor and
Members of the City Council

Subject: FY2006/07 Proposed Budget Strategic Plan Focus Area: Economic
Development

Location/Council District: Citywide (All)

Recommendation:

The City Manager recommends that Council defer action on funding for Economic Development strategic initiatives until there is an opportunity for a focused planning session related to a comprehensive Economic Development strategic plan and the appropriate use of the \$ 3.0 million previously designated by Council in the FY2004/05 Comprehensive Annual Financial Report (CAFR) to implement that plan.

Contact: Leyne Milstein, Budget Manager, 808-8491; Jim Rinehart, Economic Development Citywide Manager, 808-5054; Tom Zeidner, Senior Economic Development Project Manager, 808-1931

Presenters: John Dangberg, Assistant City Manager

Department: City Manager's Office

Division:

Organization No: 0300

Description/Analysis:

Issue: During the Strategic Planning Workshop on February 21, 2006, the City Council identified five focus areas: Public Safety; Sustainability and Livability; Safe and Affordable Housing; Economic Development; and Culture and Entertainment as the "Vision for 2007." Through this Strategic Planning approach, the Mayor and Council identified high priority programs and services based on the theme that Sacramento will be the most livable city in America.

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In the Culture and Entertainment focus area, the Council identified a need to expand Cultural and Entertainment venues. The vision for this focus area is to ensure a diverse range of cultural, entertainment, and sports venues accessible to the community. Attachment A outlines in detail the City's current efforts in this focus area.

Attachement B provides funding opportunities identified by staff that could be implemented to address Council's priorities in this focus area. The funding recommendations included in this report are based on these funding options.

Policy Considerations: This report and the recommendations contained there in are consistent with the City's sustainable budget policy. The Strategic Planning - Strategic Budgeting process allows the Mayor and City Council to focus funding on specific, priority programs and services. Strategic Planning - Strategic Budgeting will help the City of Sacramento to:

- (1) Determine Council's citywide priorities, align the resources necessary to successfully accomplish these priorities and determine what actions need to be taken today to assure that the Mayor and City Council's vision becomes reality; and
- (2) Ensure the future growth and livability of our community by proactively addressing significant challenges and issues; and
- (3) Work across City departments and coordinate with other regional resources to improve services and the quality of life for City residents.

Environmental Considerations: This report concerns administrative activities that will not have significant effect on the environment, and that do not constitute a "project" as defined by the California Environmental Quality Act (CEQA) [CEQA Guidelines Sections 15061(b)(3); 15378(b)(2)].

Rationale for Recommendation: Based on an analysis of all the focus area recommendations (Attachment B) the City Manager recommends funding the following:

- Performing Arts Facility Study (\$60,000 one-time): The last performing arts facility study was conducted in 1997. Due to the rapid growth of the City in recent years a new performing arts facility study is recommended to determine current facility needs and requirements. It is prudent to determine the exact facility needs and requirements prior to allocation of funding for new facilities.
- Assessment of Archives and Museum Collections (\$150,000 one-time): The current archives facility is beyond capacity and a new archives facility assessment is recommended. A new facility will provide appropriate capacity to ensure the maintenance and quality of the City's valuable and historical collection. This study would assess current facility needs and make recommendations on how to address capacity issues.

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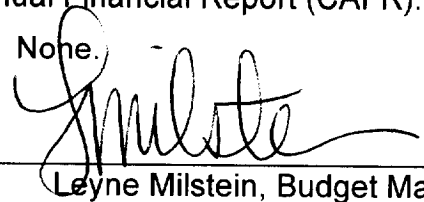
- Additional Neighborhood Archives Outreach (\$13,000 on-time, \$172,000 on-going, 2.00 FTE): In order to increase cultural IQ in neighborhoods an expansion of the neighborhood archives program is also recommended. This expansion would include two rotating exhibits at City Hall and two rotating exhibits at two community sites per year. Additional staff is necessary to accommodate the expanded outreach program.

Financial Considerations: The total recommended funding for the Cultural and Entertainment Focus Area is \$395,000 and 2.00 FTE (\$223,000 one-time, \$172,000 on-going).

The source of funding for the recommendations related to the Strategic Planning - Strategic Budgeting effort is the \$7.5 million growth initiatives reserve that was established with the FY2004/05 Comprehensive Annual Financial Report (CAFR).

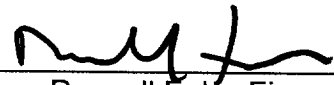
Emerging Small Business Development (ESBD): None.

Respectfully Submitted by:



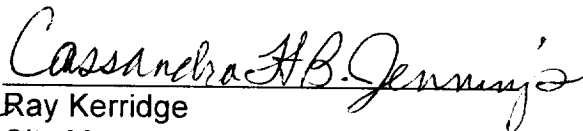
Leyne Milstein, Budget Manager

Approved by:



Russell Fehr, Finance Director

Recommendation Approved:



Ray Kerridge
City Manager

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CULTURE AND ENTERTAINMENT

CURRENT EFFORTS

The divisions comprising the Convention, Culture and Leisure Department (C,C&L), assembled under the SacRAMENITIES marketing program provided cultural and entertainment opportunities to 7.5 million residents and visitors in FY04/05. Appendix A contains background information on these facilities, including attendance and revenue figures

Current efforts to address facility and program needs are included below:

- The Historic City Cemetery - CC&L is currently in the consultant selection process for preparation of a Cemetery Master Plan.
- Crocker Art Museum - \$75 million expansion Including a 300 seat auditorium/lecture theater.
- The Community Center Theater- \$5 million dollars is earmarked in the Community Reinvestment Capital Improvement Program (CRCIP) for initial design of the theater renovation.
- Memorial Auditorium – A draft Historic Structures Report has been completed, including a historic building survey, recommendations for treatment and maintenance of historic features, recommendations for improvements related to preservation of structure and to enhance use of building. \$6 million dollars was allocated by the Council in the CRCIP for building repairs and user improvements
- Art Rehearsal Space (14th and H) – \$15 million has been earmarked in the CRCIP for construction of a 14,000 sq.ft. rehearsal space
- Children's Theater of California (B Street Theater) – One million dollars in Tier I funding and two million in Tier II funding earmarked in the CRCIP for relocation to Sutter Hospital Complex to have a 615- seat two theater complex, one 365-seat theater, and one 250-seat theater.
- Natomas Education Foundation Performing Arts Theater (Charter School) - Proposed to support community events; \$500,000 in the CRCIP funding for support.
- 2004-2010 Parks and Recreation Master Plan – Established City service level goals for sports fields and venues for both youth and adults.

- Department's Sports Fields Study – Studies currently underway:
 - Phase I provided outreach to all sports groups currently using City/school facilities; analyzed current deficiencies from the users perspective;
 - Phase II will review the conditions of all City and school sports fields, gymnasiums and other facilities and recommend opportunities for increased use and renovation needs.
- Parks and Recreation Programming Guide – Prioritizes all unfunded projects citywide including sports field development, renovation and acquisition. The 2006 Parks and Recreation Programming Guide is currently being finalized.

Culture and Entertainment – Venues

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Attachment B

Focus Area: Culture and Entertainment

Vision:

Sacramento will be a City that ensures a diverse range of cultural, entertainment, and sports venues accessible to the community.

Goal: Venues (continuum of facilities and services); small -- 500-800; youth complexes, increase capacity, variety of events, venues, alternatives, invigorated, vibrant, increase cultural IQ. Support and maintain existing venues; for a consensus on culture, entertainment and youth sports facility gaps to maximize opportunities, explore expansion, modification or addition to existing facilities - then consider new facilities or program providers.

Funding Source	Issue	Description	FY07 GF Cost	Offsets/ Revenue	Net GF Change	One-Time Costs	Ongoing GF Costs	Other Fund Cost	Net FTE Change
General Fund	Theater/Performing Arts Venues	Soundproof Jean Runyon Little Theater to allow rentals while auditorium is in use.	\$800,000	\$0	\$800,000	\$800,000	\$0	\$0	0.0
General Fund	Theater/Performing Arts Venues	New theater/performing arts facility study	\$60,000		\$60,000	\$60,000	\$0	\$0	0.0
General Fund	Entertainment Venues	Pavilion for Old Sacramento Waterfront Park	\$1,200,000		\$1,200,000	\$1,200,000	\$0	\$0	0.0
General Fund	Entertainment Venues	Renovation and ADA improvements for William Land Park Amphitheater	\$1,500,000		\$1,500,000	\$1,500,000	\$0	\$0	0.0
General Fund	Cultural IQ/Education Venues/Programs	SAMCC space needs assessment and master plan for a new archives location	\$150,000		\$150,000	\$150,000	\$0	\$0	0.0
General Fund	Cultural IQ/Education Venues/Programs	SAMCC expand neighborhood outreach	\$185,200		\$185,200	\$13,000	\$172,200	\$0	2.0
General Fund	Sports Venues	Additional 24/7 astro turf field at Granite Regional Park	\$1,500,000		\$1,500,000	\$1,500,000	\$0	\$0	0.0
General Fund	Sports Venues	Complete development of Bill Conlin Youth Sports Complex.	\$2,000,000		\$2,000,000	\$2,000,000	\$0	\$0	0.0
Totals:			\$7,395,200	\$0	\$7,395,200	\$7,223,000	\$172,200	\$0	2.0

Culture and Entertainment

Funding Recommendations

	<u>One-Time</u>	<u>On-Going</u>	<u>FTE</u>
Performing Arts Facility Study	\$ 60,000	N/A	N/A
Archives & Museum Collection	\$150,000	N/A	N/A
Neighborhood Outreach	\$ 13,000	\$172,000	2.00