

City of Sacramento

Legislation Text

File #: 2019-00139, **Version:** 1

Title:

Old Sacramento Waterfront Partnership Memorandum of Understanding (MOU)

File ID: 2019-00139

Location: District 4, Old Sacramento Waterfront.

Recommendation:

Pass a Motion authorizing the City Manager or the City Manager's designee to execute a Memorandum of Understanding (MOU) with the State of California and Downtown Sacramento Partnership for the Old Sacramento Waterfront Partnership.

Contact: Richard Rich, Riverfront Project Manager, (916) 808-2519, Office of Innovation and Economic Development.

Presenter: None

Attachments:

- 1-Description/Analysis
- 2-Memorandum of Understanding
- 3-Findings and Recommendations of the Sacramento Historic District Study

Description/Analysis

Issue Detail: The Old Sacramento Waterfront is a strategically marketable asset for Sacramento but underperforms in part because the State, the City and private interests each operate separate areas with individual missions. In November 2017, at the request of Mayor Steinberg, senior representatives from the California Department of Parks and Recreation, the City of Sacramento, Downtown Sacramento Partnership (DSP) and representative Old Sacramento property owners (Working Group or Parties) began meeting to discuss the concept of forming a partnership, collectively governed by the Parties, to manage the operations of the Old Sacramento Waterfront. The goals of this effort are to:

- Overcome the challenges of operating a historic district comprised of multiple ownership

entities,

- Achieve redevelopment and economic viability and growth,
- Increase visitation by residents and visitors through enhanced visitor experience, and
- Be a cornerstone of a larger waterfront redevelopment.

Subsequently, on January 23, 2018, City Council adopted Resolution 2018-0039 which allocated \$150,000 for a multi-year operating budget for the newly established Sacramento Riverfront Project. One of the initial projects funded by the Sacramento Riverfront Project was the proposed formation of the Old Sacramento Waterfront Partnership, a joint operating entity for Old Sacramento comprised of City, State and private property owners.

In February 2018, as one of the first steps in the creation of the Old Sacramento Waterfront Partnership, DSP on behalf of the Working Group advertised for and selected a facilitator, Valley Vision, to assist in discussions of how a common governance entity might operate the Old Sacramento Waterfront, working to align the goals visions of the Parties, detailing current and desired level of services and funding, benchmarking suitable organizations from across the nation and improving trust and communication between the Parties.

In November 2018, DSP, on behalf of the Working Group, advertised for and selected Economic Planning Systems to analyze and report on current sources and uses of funding for individual services of each Party, to poll the Parties for their desired level of services assuming an enhanced visitor experience, to survey benchmark historic districts, and to suggest sources of gap funding for increased services. That work is ongoing.

As a result of this work, and as a first step toward creation of the common governance entity, the Parties have drafted a Memorandum of Understanding (MOU) to guide further efforts.

Policy Considerations: Approval of the MOU is the first step in creating an operating partnership that will assist in achieving the visions, goals and objectives of the 2035 General Plan, the Central City Community Plan, and the 1995 and 2003 Sacramento Riverfront Master Plans.

Economic Impacts: The creation of an efficient operating partnership will ultimately have a significant and beneficial impact on Sacramento's capture of business and leisure visitors, hotel nights, workforce attraction and retention, new businesses.

Environmental Considerations: This report concerns organizational and concept design activities that will not have a potentially significant effect on the environment, and do not constitute a "project" as defined by Section 15378(b) of the CEQA Guidelines. More specifically, the item is an administrative activity and is not subject to CEQA. CEQA Guidelines Section 15378(b)(5)

Sustainability: None.

Commission/Committee Action: None.

Rationale for Recommendation: The governance structure contemplated by the MOU has several benefits, including:

- Increased coordination and efficiency of programs and services,
- Representation of all property owners in operational decision-making,
- Development of a common strategic plan for the Old Sacramento Waterfront,
- Ability to plan, finance and implement new programs and capital improvements, and
- Creation of a model for City-State waterfront collaboration.

While there are several fundamental causes for Old Sacramento's challenges, unified governance is one that has been known for decades as described in articles and studies in 1984, 1993, 2005 and 2014. Staff recommends approval of the MOU as a first, low-risk step toward the creation of a common operating entity between the Parties.

Financial Considerations: To date, the City has committed \$20,000 on the City's pro-rata share to support the Old Sacramento Waterfront Partnership effort; however, there are no additional costs associated with approving or operating under the proposed MOU.

Local Business Enterprise (LBE): Not applicable.