



# 2018 Annual Report

# WELCOME *downtown.*

It's truly inspiring to recall all of the remarkable achievements we saw come to fruition in 2018.

Everywhere you look, new projects and burgeoning retail and entertainment experience are breathing energy and life into downtown. K Street is becoming one of Sacramento's greatest success stories.

The economic activity and impact spurred by the Golden 1 Center continues to transform the area surrounding it. Downtown Commons (DOCO) has attracted national and local retailers back to downtown, while pop-ups provide opportunities for entrepreneurs to test their concepts. Just as important, the completion of DOCO has also reconnected downtown with the City's historic waterfront.

Complemented by the renovation of the Front Street Embarcadero, more people have access to experience the waterfront than we've seen in generations. We've been able to activate the area with new events and activities from yoga to dancing, holiday celebrations and more. Capitalizing on this excitement, we also launched a new logo and brand identity for the historic district – Old Sacramento Waterfront. Since the brand launch in August, digital traffic has jumped nearly 30 percent and pedestrian activity has increased by 26 percent.

Downtown is bustling with activity from morning to night. Kaiser Permanente's new state-of-the-art medical office building at 501 J Street and half a dozen new employers have added thousands of new users to downtown.

New restaurants are opening at a dizzying rate, representing a growing and impressive display of culinary talents. Our vibrant art scene has created more than a dozen selfie-worthy backdrops across downtown and our events continue to break attendance records.



For its 27th season, we expanded the Downtown Sacramento Ice Rink to increase skater capacity and provide an improved experience for skaters and bystanders. The rink's new shape also inspired us to evolve its logo to embody its improved "look" and orientation to one of the most transformed blocks of K Street.

The opening of The Hardin was a milestone for downtown and this era of revitalization. For nearly a decade, we watched and worked alongside CFY Development and D&S

Development to bring their vision for the 700 block of K Street to life. Their project is creating the most densely populated retail block in downtown, with an incredible mix of curated tenants alongside 137 new mixed-income units.

The impact of downtown reaches far beyond our physical footprint. A healthy downtown is key to a strong community with a high quality of life and access to necessary public services for its businesses and residents.

I invite you to partner with us to continue building value downtown.

Michael T. Ault  
EXECUTIVE DIRECTOR



## POSITIONING *downtown*

In 2018, Downtown Sacramento Partnership prioritized economic assistance to support downtown housing, environmental improvements to maintain a welcoming downtown and strategic development to activate the Old Sacramento Waterfront.

### ECONOMIC ASSISTANCE

- Created a housing working group that identified net zero fees on affordable housing that was adopted by the City.
- Championed a standardized and expedited plan check process by the City's Planning Department for central city housing projects, including the addition of 24 new staff to streamline the permit and plan review processes.
- Advocated for the City to increase housing resources, culminating in the creation of two new housing focused positions.

### ENVIRONMENTAL IMPROVEMENTS

- Collaborated with the City and County to ensure a coordinated launch of Pathways to Health + Home.
- Developed a platform for property owners, City staff and key stakeholders to collaborate around solutions to homelessness.
- Served as credible and experienced resource on solutions to homelessness for downtown property owners.


### STRATEGIC DEVELOPMENT

- Collaborated with stakeholders to initiate development of a new Old Sacramento Waterfront governance structure, consolidating duplicative roles and responsibilities.
- Assisted in RFP selection and review for the North Public Market, moving closer to development of long-term lease strategy following renovation.
- Created a cohesive and consistent new brand identity reflected throughout the Old Sacramento Waterfront.

## MANAGING THE PUBLIC ENVIRONMENT

The Public Space Services team works seven days a week to make downtown neighborhoods some of the cleanest and safest in the region.


### MAINTENANCE


  
**2,870**  
pieces of  
**GRAFFITI**  
REMOVED


  
**5,040**  
blocks  
**POWER**  
WASHED

  
**1.04M**  
lbs. of  
**DEBRIS**  
REMOVED

### GUIDES

  
**25,375**  
**CITIZEN**  
ASSISTS

  
**24,833**  
**MERCHANT**  
CONTACTS

  
**218,311**  
**DIRECTIONS**  
GIVEN



### DOWNTOWN COMMUNITY PROSECUTOR PROGRAM

**45**

individuals supported to enter  
drug, alcohol and/or mental health  
treatment programs in lieu of jail.

## *downtown* AT-A-GLANCE

**66**  
BLOCKS



**7.1M**  
SF OF  
LAND



**24.8M**  
SF OF  
BUILDING  
SPACE



**190**  
PROPERTY  
OWNERS



**490**  
PARCELS



**424**  
RETAIL  
BUSINESSES



**5K**  
TOTAL  
BUSINESSES



YEAR IN REVIEW *downtown*



COMPLETED

KAISER PERMANENTE  
DOCO MEDICAL OFFICES

\$109M project cost  
210K SF  
500 jobs

GUIDES WALK  
**33K+ MILES**  
DURING THE YEAR



WE SPENT  
**26K+ HOURS**  
CLEANING DOWNTOWN



92  
WALK SCORE

OUR SIGNATURE EVENTS

212  
EVENT DAYS

587.3K  
TOTAL ATTENDANCE

206  
LOCAL VENDORS  
& ARTISTS

SACRAMENTO CONVENTION CENTER  
COMMUNITY CENTER THEATER  
MEMORIAL AUDITORIUM

1M+ GUESTS  
372+ EVENTS

80% AVG.  
HOTEL OCCUPANCY

14  
MURALS ADDED

150+  
GOLDEN 1  
CENTER EVENTS

THE HARDIN

\$60M project cost  
250K SF  
137 housing units  
17 businesses

COMPLETED

DOCO

DOWNTOWN COMMONS  
(DOCO)

\$500M project cost  
1M SF  
27 businesses

COMPLETED

= PBID BOUNDARY

OUR REACH

15  
SOCIAL MEDIA  
CHANNELS

310K  
SOCIAL MEDIA  
FOLLOWERS

604  
MEDIA STORIES

3  
WEBSITES

1.8M  
WEBPAGE VIEWS

5  
E-NEWSLETTERS

15K  
E-NEWSLETTER  
SUBSCRIBERS

12  
BLOCKS OF BUFFERED  
BIKE LANES ADDED

4  
NEW BIKESHARE  
STATIONS

97  
BIKE SCORE

RECORD-BREAKING

EVENT ATTENDANCE



13.5K  
DINE  
DOWNTOWN



40K  
ST. PATRICK'S  
DAY PARADE



239.5K  
FARMERS'  
MARKETS



70K  
CONCERTS  
IN THE PARK



41.4K  
ICE RINK



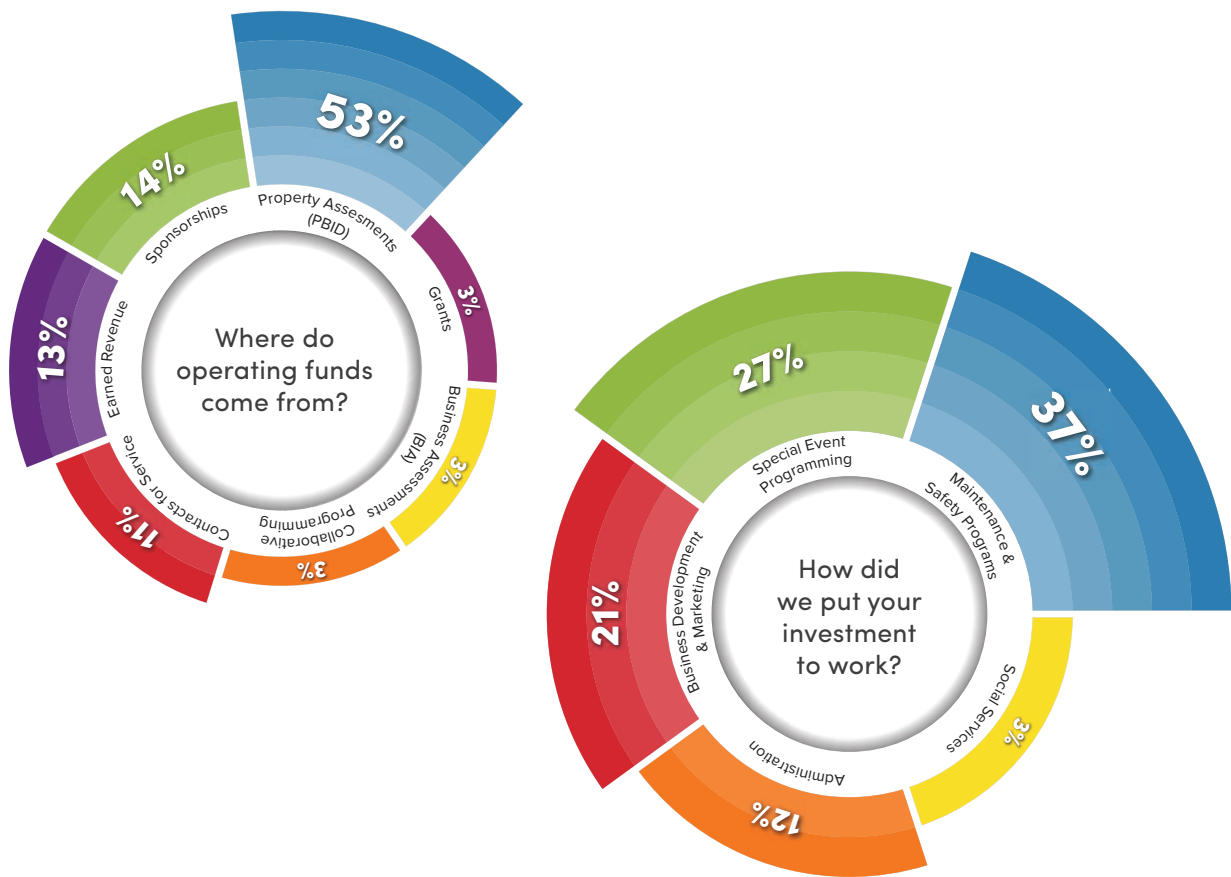
150K  
THEATRE OF LIGHTS





# FINANCING *downtown*

Downtown Sacramento Partnership manages a budget of \$5.7 million and receives the majority of its operating budget from property assessments.



## ASSETS

### CURRENT ASSETS

Cash and Equivalents	\$1,171,765
Accounts Receivables	\$336,334
Related Party Receivables	-
Prepaid Expenses	\$121,621
Other Current Assets	\$221,487
<b>Total Current Assets</b>	<b>\$1,851,207</b>
Property and Equipment, Net	\$425,963
Other Assets	\$2,500
<b>Total Assets</b>	<b>\$2,279,670</b>

### CURRENT LIABILITIES

Accounts Payable	\$166,939
Accrued Expenses	\$509,704
Other Liabilities	\$22,609
Deferred Revenue	\$56,618
Capital Leases	\$4,495
<b>Total Liabilities</b>	<b>\$760,365</b>

### NET ASSETS

Unrestricted	\$566,183
Restricted	\$535,441
Temporarily Restricted	\$352,423
<b>Total Net Assets</b>	<b>\$1,454,047</b>
<b>Total Liabilities &amp; Net Assets</b>	<b>\$2,279,670</b>

Audited financial statement, Brown, Fink, Boyce & Astle, LLP, 2017.

*Downtown Sacramento Partnership is a property-based improvement district (PBID) dedicated to building value in Sacramento’s urban core. Downtown Partnership promotes public/private partnerships to diversify the local economy and enhance the downtown experience.*

 **92%**  
**BUSINESS OWNERS  
SATISFIED WITH OUR SERVICES**

# BOARD OF DIRECTORS

## 2018 DOWNTOWN PARTNERSHIP OFFICERS

### CHAIR

Bob Cook, *Cook Endeavors*

### VICE CHAIR

Randy Koss, *Fulcrum Property*

### SECRETARY

Denton Kelley, *LDK Ventures, LLC*

### TREASURER

Sandy Sharon, *Kaiser Permanente*

### PAST CHAIR

David Taylor, *David S. Taylor Interests*

### PUBLIC SECTOR REPRESENTATIVE

Howard Chan, *City of Sacramento*

### OFFICER

Janie Ison, *Steamers*

### EXECUTIVE DIRECTOR

Michael T. Ault, *Downtown Sacramento Partnership*

## AT LARGE DIRECTORS

**Douglas Aguiar**, *Golden 1 Credit Union*

**Amanda Blackwood**, *Sacramento Metro Chamber*

**Kipp Blewett**, *Rubicon Partners*

**Nico Coulouras**, *Hines*

**Chris Delfino**, *Delfino Madden O’Malley Coyle & Koewler LLP*

**LaShelle Dozier**, *Sacramento Housing & Redevelopment Agency*

**Paul Faries**, *JMA Ventures*

**Kevin Fat**, *Fat Family Restaurants*

**Jason Goff**, *CBRE*

**Lyman Gray**, *California State Parks*

**Vice Mayor Steve Hansen**, *City of Sacramento*

**Lloyd Harvego**, *Harvego Enterprises*

**Michael Heller**, *Heller Pacific Inc.*

**John H. Hodgson**, *The Hodgson Company*

**Daniel Kim**, *State of California*

**Capt. Norm Leong**, *Sacramento Police Department*

**Richard Lewis**, *Broadway Sacramento*

**Henry Li**, *Sacramento Regional Transit*

**Dorla Licausi**, *Macy’s*

**Frankie McDermott**, *SMUD*

**Bay Miry**, *Miry Development*

**Moe Mohanna**, *Western Management*

**John Rhinehart**, *Sacramento Kings*

**Wendy Saunders**, *CADA*

**Supervisor Phil Serna**, *County of Sacramento*

**Mayor Darrell Steinberg**, *City of Sacramento*

**Michael Testa**, *Visit Sacramento*

**Angelo G. Tsakopoulos**, *Tsakopoulos Investments*

**Stan Van Vleck**, *Downey Brand*

**Scott VandenBerg**, *Hyatt Regency*

Partnership Staff

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## PHOTO CREDITS

Peter Agerton	Ken Raif
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# FOSTERING *downtown*

The non-profit 501(c)(3) Downtown Sacramento Foundation (DSF) supports programs that complement Downtown Sacramento Partnership priorities to improve the economic, physical, cultural and social environment that fosters civic pride.

## 2018 DOWNTOWN SACRAMENTO FOUNDATION OFFICERS

### CHAIR

Joe Coomes, *BBK Law*

### SECRETARY

Denton Kelley, *LDK Ventures, LLC*

### TREASURER

Paul Faries, *JMA Ventures*

### DIRECTOR

Erika Bjork, *Matters of Import, LLC*

### DIRECTOR

Lloyd Harvego, *Harvego Enterprises*

### DIRECTOR

Shirley Kwan Smith, *SKS Communications*

## CALLING ALL DREAMERS



Wrapping its sixth year of competition, Calling All Dreamers helped another class of entrepreneurs to realize their dream of opening a business in downtown Sacramento. Finalists received business coaching and the winner, NEO Escape Rooms, won a start-up package valued at more than \$100K with the resources and tools needed to start off on the right foot.



**NEO Escape Rooms**  
2018 Winner

## 2013-2018 AT-A-GLANCE

**20K**



**SF**  
**RETAIL SPACE**

**94**



**JOBS**  
**CREATED**

## 21 NEW BUSINESSES

*Andy's Candy Apothecary*  
*The Dailey Method*  
*Sun & Soil Juice - 3 locations*  
*Benjamins Shoes*  
*Ana Apple*  
*SacTown Bike Bus Tours*  
*Metro Kitchen + Drinkery*  
*The Allspicery*  
*Whired Wine*

*The Workspace*  
*Figs and Feta*  
*Oblivion Comics & Coffee*  
*Flakos Tacos - 3 locations*  
*Studio Fig*  
*Burly Beverages*  
*The Kitchen Table*  
*Shelf*

## OLD SACRAMENTO WATERFRONT



A coordinated effort by public and private partners created a new brand identity for the area that embodies the energy and excitement swirling in the historic district located on the City's waterfront.



## HOUSING FIRST



DSF's first fundraising effort around #GivingTuesday raised **\$15,000** for Sacramento Self Help Housing's programming and housing assistance for the homeless.



## DOWNTOWN SACRAMENTO PARTNERSHIP



#SACCOLADES

ONE OF NORTH  
AMERICA'S  
BEST  
EMERGING  
DESTINATIONS

— Lonely Planet



#1 | MOST  
UNDERRATED  
CITY IN  
CALIFORNIA

— Thrillist



#1 | CITY IN  
CALIFORNIA  
FOR  
POPULATION  
GROWTH

— California  
Department of  
Finance



#3 | CITY  
IN THE U.S.  
WHERE  
MILLENNIALS  
ARE MOVING

— SmartAsset.com



#28 | BEST  
PLACE IN  
AMERICA  
TO START A  
BUSINESS

— Inc.com



DOWNTOWN SACRAMENTO PARTNERSHIP

## DEVELOPING *downtown*

### NOTABLE PROPERTY SALES *downtown*

**621 Capitol Mall**

\$161 million  
366,000 SF

**555 Capitol Mall**

\$78.2 million  
385,178 SF

**770 L Street**

\$44.5 million  
170,267 SF

**1018-1030 J Street**

\$5 million  
68,889 SF

**731 K Street**

\$1.7 million  
16,892 SF



# DOWNTOWN SACRAMENTO DEVELOPMENT MAP

## HOUSING

**1) The Residences at The Sawyer - 500 J St.** 45 for-sale condominiums located above the Kimpton Sawyer Hotel.

**2) The Hardin - 700 K St.** 250,000 SF Mixed-use project with 137 mixed-income units and retail space.

**3) Ice Blocks - R St., between 16th & 18th Sts.** Mixed-use project with 142 units, 55,000 SF retail space and 106,000 SF office space.

**4) Q19 - 19th & Q Sts.** Mixed-use project with 68 units and 2,000 SF retail space.

**5) California Brownstones - 1700 Q St.** 12 for-sale single family units.

**6) 2301 K - 2301 K St.** Mixed-use project with 8 market-rate units and 1,600 SF of retail space.

**7) Mansion Flats Modern - 1509 D St.** 8 for-sale single family units.

**8) 980 Central - 980 & 974 Central St.** 55 unit market-rate apartment project.

**9) The Creamery - 1013 D St.** 122 for-sale single family units.

**10) The Mill at Broadway - 3rd–5th Sts. & Broadway.** 1,000 single family units planned, more than 200 completed.

**11) 20 PQR - 20th St., between P & R Sts.** 32 for-sale single family units.

**12) 19J - 19th & J Sts.** Mixed-use project with 173 standard and micro units and 6,600 SF of retail.

**13) 1024 R Street - 1024 R St.** Mixed-use project with 26 units and 16,000 SF commercial space.

**14) 1430 Q - 1430 Q St.** Mixed-use project with 75 units and 9,000 SF retail space.

**15) Bel-Vue Apartments - 809 L St.** 29,000 SF project with 22 affordable units. *Part of the 800 K/L St. mixed-use project.*

**16) The Press - 21st & Q Sts.** Mixed-use project with 277 units and 8,000 SF retail space.

**17) H16 - 16th & H Sts.** 75 unit apartment project with 5 live-work units.

**18) 3rd & Broadway - 401 Broadway.** 59 unit apartment project.

**19) The Foundry - North of Mill St.** 69 unit apartment project with 19 single family homes.

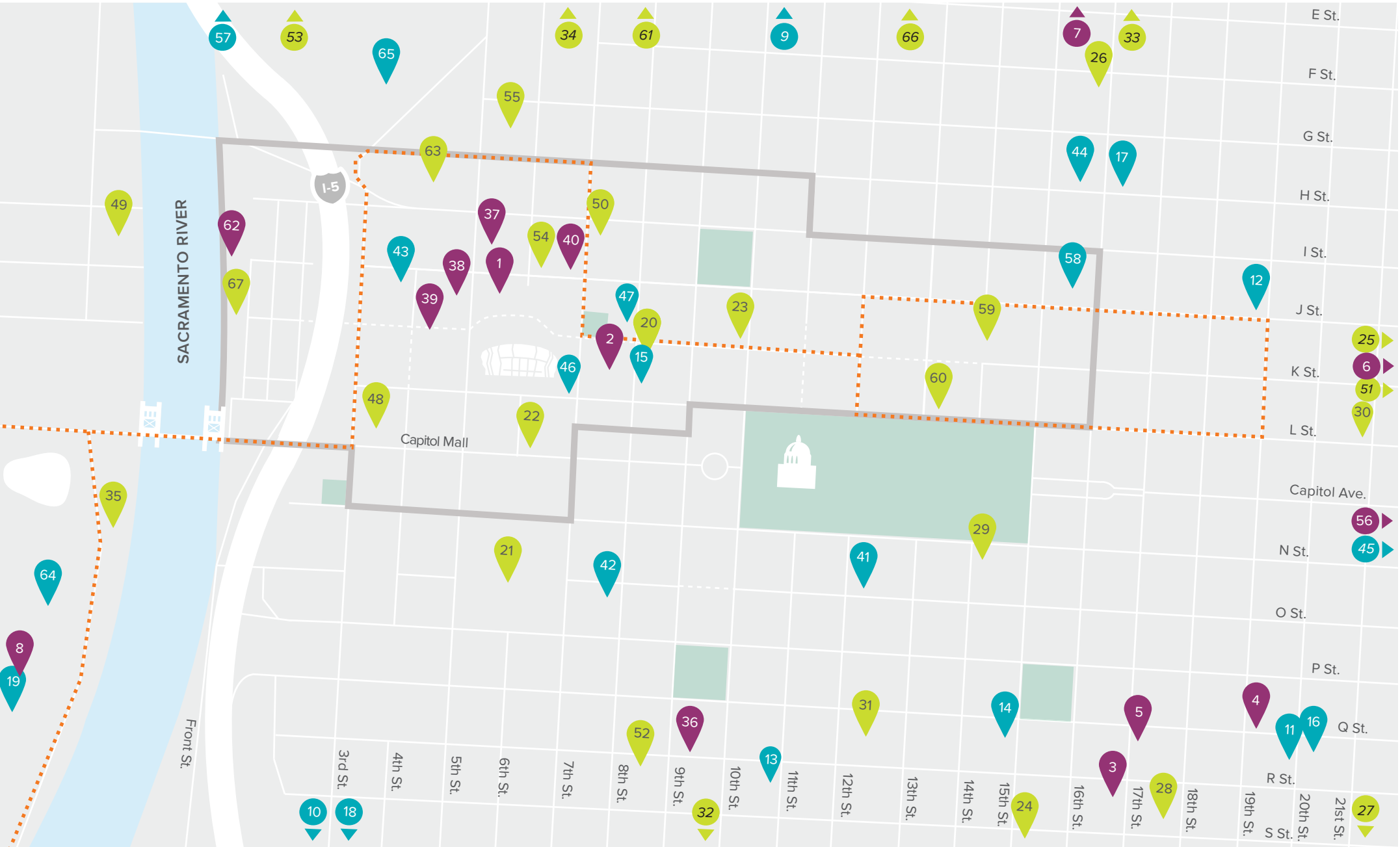
**20) 800 K/L St. - 800 K St.** 280,000 SF mixed-use project with 148 units and 20,000 SF retail space.

**21) Sacramento Commons - 5th–7th Sts., between N & P Sts.** Mixed-use project with 1,470 units, 300 hotel rooms and 74,000 SF retail space.

**22) 601 Cap Mall - 601 Capitol Mall.** 600,000 SF mixed-use project with 162 units and 5,800 SF commercial space.

**23) 10K - 10th & K Sts.** Mixed-use project with 186 units, 205 hotel rooms and 7,400 SF retail space.

**24) 1500 S - 1500-1522 S St.** 80,000 SF mixed-use project with 76 units and 13,000 SF commercial space.



**COMPLETED**

**UNDER CONSTRUCTION**

**PROPOSED**

**STREETCAR**

**PBID BOUNDARY**

**25) Yamane - 2500 J St.** Mixed-use project with 134 units and 14,000 SF commercial space.

**26) Lavender Courtyard - 16th & F Sts.** 54 senior LGBT-friendly units.

**27) 21st & U - 2115 21st St.** 21,426 SF mixed-use project with 15 units and 6,225 SF commercial space.

**28) 1717 S Street - 1717 S St.** 6-story, mixed-use building with 159 mixed-income units and 11,400 SF retail space.

**29) Vantage Condominiums - 14th & N Sts.** 87 for-sale condos and 2,990 SF retail space.

**30) 2025 L Street Mixed-Use - 2025 L St.** Mixed-use project with 141 units and 53,000 SF commercial space.

**31) Q Art Lofts - 1208-1220 Q St.** 51 unit apartment project.

**32) 10U - 2030 10th St.** 21 units with 3,000 SF of retail space.

**33) E@16 - 16th & E Sts.** 95 apartment units and work-live units.

**34) Railyards Mixed-Use - Railyards Blvd. & 6th St.** 303 units and 3,800 SF retail space.

**35) West - S.E. Corner of Riverfront St, & Ballpark Ave.** Mixed-use project with 273 units and 16,000 SF of retail space.

## RETAIL | OFFICE

**36) Market 5-ONE-5 - 915 R St.** 11,200 SF urban grocery market.

**37) Kaiser Permanente DOCO Medical Center - 501 J St.** 200,000 SF corporate center and outpatient clinic.

**38) 428 J Renovation- 428 J St.** 92,000 SF mixed-use office and retail renovation project.

**39) Downtown Commons (DOCO) - 660 J St.** 1,000,000 SF mixed-use project with 630,000 SF retail space and 250,000 SF office space.

**40) The Bank - 629 J St.** 30,000 SF food hall featuring bar areas and leased food stalls.

**41) O Street Office Building - 1215 O St.** 370,000 SF new state office building.

**42) State Resources Building - 7th & 8th Sts. between O & P Sts.** 838,000 SF new state office building.

**43) California Fruit Building - 1006 4th St.** Conversion of office building into a 100 room hotel.

**44) Mansion Inn- 16th & H Sts.** 156,481 SF boutique hotel with 110 hotel rooms.

**45) Paragary Hotel- 28th & Capitol Ave.** 105 room boutique hotel.

**46) Hyatt Centric - 1122 7th St.** 103,979 SF hotel mixed-use project with 170 hotel rooms and 6,546 SF retail space.

**47) 731 K Street Renovation - 7th & I Sts.** Renovation of 15,000 SF office will include 7,654 SF of first-floor retail.

**48) Tower 301 - 301 Capitol Mall.** Mixed-use project with 791,647 SF office space, 24,653 SF Retail and 100 residential units.

**49) CalSTRS Expansion - 100 Waterfront Place.** Expansion of the current CalSTRS headquarters to add 265,000 SF of office space.

**50) 7+I Hotel - 7th & I Sts.** 179 room AC Marriott hotel with ground-floor retail.

**51) Hyatt House Midtown - 2719 K St.** Conversion of historic Eastern Star Building to a 133-room hotel.

**52) CADA R Street Garage - R St. between 8th & 9th Sts.** 800 parking space garage with 12,000 SF of ground-floor retail.

**53) Kaiser Permanente Medical Center - Northwest Corner of the Railyards Site.** 1,200,000 SF hospital and medical facility.

**54) Vanir Tower - 601 J St.** Mixed-use project with 100,000 SF office space, 50 residential units and 250 luxury hotel rooms.

**55) Sacramento County Courthouse - 6th & G Sts.** 540,000 SF facility with 53 courtrooms.

## ARTS & CULTURE

**56) The Sofia (B Street Theatre) - 27th & Capitol Ave.** 45,000 SF theater with 4,000 SF retail space.

**57) Powerhouse Science Center - Jibboom St.** 43,000 SF science, space, and technology museum near Old Sacramento Waterfront.

**58) Memorial Auditorium - 1515 J St.** Modernization of the existing 149,000 SF auditorium.

**59) Sacramento Convention Center - 1400 J St.** Expansion to 338,000 SF will include increased exhibit, ballroom and meeting space.

**60) Community Center Theater - 1301 L St.** Transformation of current performance center to 115,000 SF, scheduled to begin 2019.

**61) Railyards Soccer Stadium - Railyards, east of 7th St.** 375,000 SF outdoor, multi-use MLS soccer stadium with seating for approximately 22,000.

## STREETSCAPE & CIRCULATION

**62) Embarcadero Project - Front Street.** Replacement of 70,635 SF wooden boardwalk with stamped concrete.

**63) Sacramento Valley Station Phase III - 4th & I Sts.** Expansion of the 68,000 SF train station that will include a relocation of the current light rail station.

### Downtown Riverfront Streetcar

An urban circulator connecting people in West Sacramento, Downtown and Midtown.

## LARGE-SCALE PROJECTS

**64) The Bridge District - West Sacramento.** 188-acre mixed-use project with 4,000 residential units and 5,000,000 SF commercial space.

**65) Railyards - 5th & I Sts.** 244-acre mixed-use project with up to 6,000 residential units, 1,000 hotel rooms, 1,000,000 SF retail space and 5,000,000 SF office space.

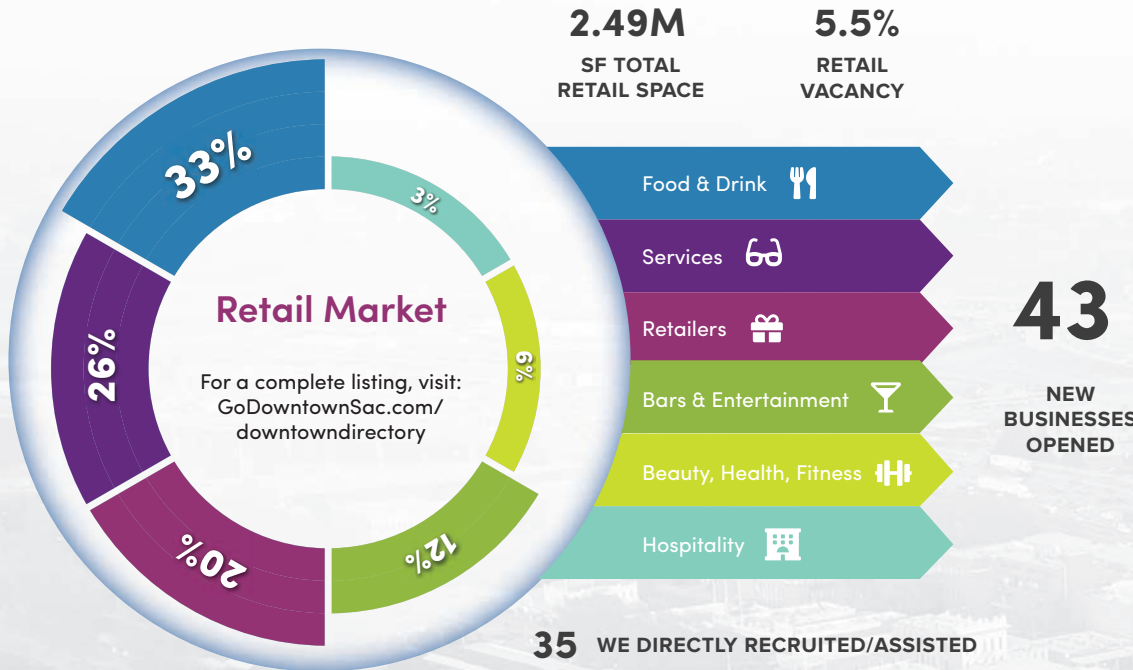
**66) Twin Rivers Project - Richards Blvd., River District.** 86-acre mixed-use project with 3,387 mixed-income residential units, 840,000 SF office space and 146,194 SF retail space.

**67) Old Sacramento Waterfront Redesign - Front Street.** Plans to activate waterfront include leasing the North and South public markets with 10,000 SF retail space.

# MOVING *downtown*

By day, downtown is the region's largest employment center with amenities rivaling any corporate campus. By night, it's a vibrant entertainment district.

## RETAILERS CHOOSING *downtown*



## DEMOGRAPHICS *downtown*

**1-MILE 21.4K | 3-MILE 141.8K**  
CURRENT POPULATION

**1-MILE \$63.9K | 3-MILE \$79.4K**  
AVERAGE HOUSEHOLD INCOME

**1-MILE 40 | 3-MILE 38**  
AVERAGE AGE

**1-MILE 11.9K | 3-MILE 63.1K**  
HOUSEHOLDS

**1-MILE 6.4K | 3-MILE 36.1K**  
BACHELOR'S DEGREE OR HIGHER

**1-MILE 103K | 3-MILE 185.6K**  
EMPLOYEES

## LIVING *downtown*



## OFFICE MARKET *downtown*

Home to more than one-third of the region's Class A office space, downtown is the region's premier urban corporate campus.

**20.62M** SF TOTAL OFFICE SPACE

**8.1%** VACANCY RATE

**\$2.56** RENTAL RATE PER SF

	Class A	Class B	Class C
Office Inventory (SF)	9,158,445	5,865,459	5,592,475
Vacancy Rate	7.1%	12.6%	5.3%
Rental Rate per (SF)	\$2.98	\$2.39	\$1.85

Source: CoStar

## EMPLOYERS CHOOSING *downtown*

**Lockton Companies**  
400 Capitol Mall

**Oak Valley Community Bank**  
455 Capitol Mall

**Merrill Lynch**  
555 Capitol Mall

**2.9%** UNEMPLOYMENT