

October 19, 2020

Dear Mayor Darrell Steinberg:

We are writing to you in the spirit of partnership to address the urgent need for a collective focus on how we can best restart and recover our once robust economy. As property owners and employers who are committed to reemerging from the devastating health and economic impacts of 2020, we are confident that Sacramento will remain a thriving destination for commerce, innovation, arts, culture, diversity and opportunity. Yet today, there is widespread anxiety over public safety, cleanliness and other issues that are contributing to severe and worsening conditions in Sacramento's downtown core.

Now must be the time for investment and restoration of our previously thriving downtown. We cannot afford or accept for it to fall further into a real or perceived state of neglect. We urge you to take immediate action to ensure Downtown rebounds as the economic engine for our city. We need a comprehensive approach to public safety and necessary improvements that will restore confidence in our urban core. Specifically, our businesses and workforce need you to address specific issues and identify immediate actionable items including, but not limited to:

- Clean and clear public right of ways;
- Rapid responses to address public health and safety issues;
- Enforcement measures to address illegal, aggressive and threatening behavior, including violence, vandalism, substance abuse, and drug sales;
- Removal of unsafe encampments, illegal dumping, and abandoned property;
- Community-based outreach and law enforcement efforts;
- A comprehensive and solution-oriented approach to connect the homeless, drug-addicted and mentally ill with permanent supportive housing and appropriate services.

Public safety is a precondition for recovery. Everyone must be safe from crime, unsanitary conditions and aggressive behavior. We need dedicated resources to balance assistance for individuals discharged from jail and the service-resistant, chronically homeless, including ordinances and enforcement that also protects our employees and customers.

Downtown Sacramento is the economic driver for our city. Downtown generates 46% of the city's property tax revenue and we are confident that it will lead our regional recovery if we work collectively to address the issues above. Building owners and private employers have invested millions in improvements to office spaces to accommodate new public health guidelines to ensure that employees are safe. However, it will be difficult for an effective and permanent transition back to the office if employees do not feel comfortable reintegrating into downtown. Their concerns about the safety and cleanliness of our streets are real and must be addressed quickly.

Downtown employees and visitors are vital to our local small businesses. Today, commercial buildings are nearly empty, our convention and entertainment venues remain closed and state officials are rethinking public sector business processes, expanding telework and reducing office leases. This absent customer base has resulted in an unprecedented number of our local businesses are failing and facing the threat of having to permanently close their doors. We must create the conditions for our downtown workforce to safely return and contribute to our small, locally-owned businesses and our recovery as a whole.

Creating a safe environment in our urban core fuels the quality of life in our community.

The lack of employees and visitors downtown further threatens future sales taxes, TOT and other much needed revenues downtown generates for our city. Given the magnitude of downtown's economic impact to the Sacramento region, the City of Sacramento will not be able to fiscally recover from the COVID-19 driven downturn without a robust downtown recovery. Downtown provides Sacramento:

- Over \$75 million in property and hotel tax revenue.
- \$176.5 million in retail sales per square mile.
- Nearly 100,000 jobs – 40% of the city's workforce.
- A hub for convention and tourism activity with a nearly \$430 million economic impact.

We need a coordinated plan to prioritize downtown recovery to ensure a vibrant future for Sacramento. The success of our post COVID-19 economy will hinge on immediately implementing solutions that create the opportunity for recovery and resiliency. We ask you to chart a path forward to develop these solutions with representatives from City Hall, including the City Attorney's Office, Sacramento Police and Fire Departments, Public Works, Community Development, and the Office of Community Response. We encourage you to also include representatives from Sacramento County, including the Environmental Management Development, Department of Public Health, District Attorney's Office, Sheriff (Jail Discharge), DHA and HHA.

We are prepared to do our part, but we simply cannot do it alone. Let's work together to ensure that downtown Sacramento is indeed safe and open for business.

Sincerely,

Larry Allbaugh, CEO, Buzz Oates
Liezet Arnold, Owner, Bloem Décor
Michael T. Ault, Executive Director, Downtown Sacramento Partnership
Erika Bjork, Principal/Founder, Principal, Matters of Import
Amanda Blackwood, President & CEO, Sacramento Metro Chamber of Commerce
Kipp Blewett, Partner, Rubicon Partners
David Brandenburger, Managing Director, Newmark Knight Frank
Michelle Smira Brattmiller, Administrator, R Street Partnership
Barry Broome, President & CEO, Greater Sacramento Economic Council
Nikki Carlson, General Manager, Kimpton Sawyer Hotel
CDA Rotunda Partners, LLC – 1201 K Street
Robert C. Cook Jr., President, Cook Endeavors
James J. Cordano, III, President, James J. Cordano Co.
Nico Coulouras
Sunny Dale, Managing Partner, The Exchange Hotel - Hilton Curio
Ernesto Delgado, Owner, Mayahuel and La Cosecha
Chris Delfino, Partner, Delfino Madden O'Malley Coyle & Koewler LLP
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Burke Fathy, Managing Partner, Sutter Capital Group
Mark Friedman, President, Fulcrum Property
Jason Goff, Executive Vice President, CBRE
Paul Faries, Partner, JMA Ventures, LLC.
Kevin Fat, Operating Partner/CEO, Fat Family Restaurant Group

Ben Gumpert, President & COO, Sacramento Republic FC
Michael Guyette, President & CEO, VSP Global
Laurie Harting, Greater Sacramento Division President & CEO, Dignity Health
Lloyd Harvego, Chairman, Harvego Companies
Michael J. Heller, Principal, Heller Pacific Inc.
John Hodgson, President, The Hodgson Company
Janie Ison, Owner, Steamers Bakery & Café
Denton Kelley, Managing Principal, LDK Ventures
Randy Koss, CIO, Fulcrum Property & Board Chair, Downtown Sacramento Partnership
Judah LaVine, Partner, Carrazco – Innovative Tax Solutions
Richard Lewis, President & CEO, Broadway Sacramento
Steve Mammet, General Manger, Embassy Suites Hotel
Francisco Marques, Building Manager, Masonic Temple Association of Sacramento
Emily Baime Michaels, Executive Director, Midtown Association
Bay Miry, Principal, Miry Development
Stacy Paragary, Partner, Paragary Restaurant Group
Nancy Park, Sacramento Office Managing Partner, Best Best & Krieger
John Rinehart, President of Business Operations, Sacramento Kings
Anna Rodriguez, Owner, Odd Cookie Bakery, Café and Bar
Debbie Rajkumar, Owner, Café Connection
Brianne Sylvia & Chris Ryan, Owners, Bailarín Cellars
Aziz Bellarbi-Salah, Owner, Brasserie Capitale, Café A Côté, Aioli & The Grand
David Scurfield, President, The Scurfield Company
David Shipman, General Manager, The Citizen Hotel
Sandy Sharon, Senior Vice President & Area Manager, Kaiser Permanente
Shirley Kwan Smith, Principal, SKS Communications
Hilary Speck, Senior Director, Store Manager, Macy's, Inc.
David Taylor, President, David S. Taylor Interests, Inc.
Michael Testa, President & CEO, Visit Sacramento
Ron Thomas, Executive Managing Director - Sacramento Region, Cushman & Wakefield
Zurich Dawson, Regional Manager Avenue 5 Residential (800J Lofts)
Angelo G. Tsakopoulos, Principal, Tsakopoulos Investments
Rob Turner & Elyssa Lee, Owners, Sactown Magazine
Scott VandenBerg, General Manager, Hyatt Regency Sacramento
Leigh White

Cc: Sacramento City Council
Sacramento City Manager Howard Chan
Sacramento City Attorney Susana Alcalá Wood
Sacramento County Board of Supervisors
Sacramento County Executive Nav Gill
Sacramento County Sheriff Scott Jones
Sacramento County District Attorney Ann Marie Shubert