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Sacramento Coalition for Shared Prosperity Responds to Mayor Johnson's Press Conference Community Benefits for Affordable Homes, Transportation & Neighborhood Impact Mitigations Missing from Arena Plans

On Monday, May 19, the Sacramento Coalition for Shared Prosperity attended Mayor Kevin Johnson's press conference announcing the Sacramento First Community Advisory Council. Mayor Johnson promised some benefits for some local workers and businesses, and youth. However, notably absent were commitments to affordable homes for displaced low-income individuals, transportation solutions for low-wage workers at the Arena and ancillary developments, construction impact mitigations for remaining small businesses, and any safety and community benefits for the residents of the city at-large in exchange for the \$278 million public subsidy that makes the Arena & ancillary projects feasible.

Traditionally, Community Benefits Agreements across California and the nation have addressed measures for housing needs, small business preservation and development, the environment, transportation, and construction impacts in addition to jobs. Without addressing some of these core items and issues, the Kings' promises to the people of Sacramento do not come close to what other Community Benefits have been achieved in legally binding agreements in other cities across California. For this reason, the Coalition does not feel that members of the Sacramento community are receiving an adequate and fair return on the public investment of \$278 million and a \$12 million interest-free loan. Sans such a binding and expanded agreement, Sacramento will be the only major city in recent memory without a legally binding Community Benefits Agreement tied to a development of this type. Sacramento would be losing out on the opportunity to make the Sacramento Entertainment and Sports Complex a project that works for everyone. Compare the benefits espoused by Mayor Johnson yesterday to those received in most other developments of this type across the state, and it becomes obvious that there is a serious gap of understanding by Basketball Holdings, LLC of the risk our community faces by committing so much of our city's treasure to their development project. [\(See examples of like projects and their active Community Benefits Agreements in California.\)](#)

At the press conference, Mayor Johnson said he envisioned the Arena project to be one where no one gets left behind and everyone participates. The Sacramento First Community Advisory Council, as it is described in the Sacramento Bee, includes a City Council Member, the Kings' attorney, the Mayor's Chief of Staff, representatives from Turner Construction, and the Arena architect AECOM. The Council has no representation from the diverse number of community groups in Sacramento, including organizations like the Sacramento Housing Alliance, Capital Regional Organizing Project, and the Environmental Council of Sacramento, among others who comprise the make-up of the Coalition for Shared Prosperity.

Sacramento Housing Alliance Executive Director Darryl Rutherford said, "When discussing local hiring preferences for the Arena's construction, Kings President Chris Granger mentioned that this is about the veteran who can't find a stable job. But if that same veteran cannot afford to pay his rent in the community in which he works, he won't get a fair chance to thrive, nor have the stability he needs to keep his job."

While Kings' officials announced that they will contribute \$864,000 to the city's trust fund for affordable homes, this amount is one that every developer is obligated to pay when building a new project, and is not a contribution that they are making that is over and above what they are required to pay by law. There has been no guarantee by the Kings or the City of Sacramento that there will be enough affordable homes in the Downtown area to house the influx of low-wage, temporary, seasonal workers of the Arena, considering that rents have begun to rise and the displacement of lower-income residents is occurring.

About the Coalition for Shared Prosperity

Our mission is to achieve a comprehensive agreement of community benefit enhancements that guarantee all residents of Sacramento benefit from the development of the Sacramento Entertainment and Sports Complex throughout its construction phase and continued operation in return for our public subsidy. The Coalition neither supports, nor opposes the development of the Sacramento Entertainment and Sports Complex, but seeks to ensure that social and economic equity are at the heart of a Community Benefits Agreement surrounding the new Arena.

Visit www.CoalitionforSharedProsperity.org for more information.

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