# REPORT TO COUNCIL
# City of Sacramento

**915 I Street, Sacramento, CA 95814-2671**
**www.CityofSacramento.org**

**CONSENT**
**May 20, 2008**

**Honorable Mayor and**
**Members of the City Council**

**Title: Del Paso Boulevard Property and Business Improvement District – Annual Proceedings FY2008/09**

**Location/Council District:** The Del Paso Boulevard Property and Business Improvement District (PBID) is located in Council District 2. The district includes approximately 193 parcels and 116 property owners in the North Sacramento Redevelopment Area (Exhibit A, page 7).

**Recommendation:** Adopt 1) a **Resolution** adopting the Del Paso Blvd. PBID Annual Budget and Levying Assessment; and 2) a **Resolution** amending the Fiscal Year 2008/09 City Budget for the Del Paso Blvd. PBID.

**Contact:** Jodie Vong, Administrative Analyst, (916) 808-8243; Mark Griffin, Fiscal Manager, (916) 808-8788

**Presenters:** Not Applicable

**Department:** Planning Department

**Division:** Public Improvement Financing

**Organization No: 4915**

## Description/Analysis

**Issue:** The existing district is required by the Property and Business Improvement District Area Law of 1994 to present an annual budget for City Council approval. Approval of the district's annual budget will authorize the City to collect assessments in the amount sufficient to provide funding for economic development, security services, maintenance services, and image enhancement within the Del Paso Blvd. commercial corridor for FY2008/09.

**Policy Considerations:** The annual proceedings for this district are being processed as set forth in sections 36600 to 36671 of the California Streets and Highways Code, entitled "Property and Business Improvement District Law of 1994." This process is consistent with the City's Strategic Plan 3 Year Goal to "achieve sustainability and enhance livability" and to "expand economic development throughout the City."

**Environmental Considerations:** Under the California Environmental Quality Act (CEQA) guidelines, annual proceedings of a Special District do not constitute a project, and are therefore exempt from review.

**Committee/Commission Action:** None

**Rationale for Recommendation:** The actions in the recommended Resolutions are required by the California Streets and Highways Code, which is codified as part 7 (beginning with section 36600) of division 18.

**Financial Considerations:** Financing will be provided by levy of assessments upon real property that benefits from improvements and activities. The PBID does not plan to issue bonds.

The PBID assessment budget for FY 2008/09 is $210,000 (Details on Exhibit "B", page 11). The Del Paso Blvd. PBID will receive an approximate total of $207,433. The remaining $2,567 will be retained by the City to cover City administration cost.

| Program | Budget | % of Total |
|---|---|---|
| Security and Maintenance Enhancement | $ 130,500 | 62.0 |
| Image Enhancement | $35,000 | 17.0 |
| Advocacy | $34,000 | 16.0 |
| Contingency / PBID Renewal | $10,500 | 5.0 |
| **Total** | **$ 210,000** | **100.0** |

Annual assessment rates are based on an allocation of program costs and a calculation of parcel square footage. The cost to the property owner is $0.10 per parcel square foot in Zone 1 and $0.035 per parcel square foot in Zone 2. Religious properties are assessed at a rate which is 50% of the full assessment in both Zone 1 and Zone 2. Auto wrecking properties are assessed at a rate which is 30% of the full assessment in both Zone 1 and Zone 2. Residential properties with 4 units or less are not assessed.

**Emerging Small Business Development (ESBD):** City Council approval of these proceedings is not affected by City policy related to the ESBD Program.

Respectfully Submitted by: _____
Mark Griffin
Fiscal Manager

Respectfully Submitted by: _____
Carol Shearly
Director of Planning

Recommendation Approved:

_____
Ray Kerridge
City Manager

**Table of Contents:**

Report ..... Pg 1

**Attachments**

**1** Background ..... Pg 4

**2** Resolution Adopting Annual Budget and Levying Assessment..... Pg 5

Exhibit A, Map of District..... Pg 7

Exhibit B, District and Parcel Assessment..... Pg 8

**3** Resolution Amending the FY 2008/09 City Budget..... Pg 9

Exhibit A, Map of District..... Pg 10

Exhibit B, District Budget and Parcel Assessment..... Pg 11

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**Attachment 1**

## BACKGROUND

The Del Paso Boulevard PBID was approved by City Council on May 24, 2005, in accordance with the Property and Business Improvement District Area Law of 1994, and became effective on January 1, 2006. The District provides funding for the Del Paso Boulevard PBID to provide the following services in the Del Paso Boulevard commercial corridor:

- Public Safety and Maintenance Program
  - Clean and Safe Program
  - Integration with City Police
  - Maintenance Patrol
- Advocacy, Advertising and Economic Development
- Image Enhancement Program

The annual assessments are based upon allocation of program costs and a calculation per parcel square foot. The assessment rates proposed for FY 2008/09 will remain the same as the 3rd year of services, $0.10 per parcel square foot in Zone 1 and $0.035 per parcel square foot in Zone 2. Residential properties with 4 units or less will not be assessed.

The Del Paso Boulevard PBID Advisory Board has prepared the Annual Report, which is on file with the City Clerk. The report addresses the current and proposed budgets and services to be provided. The Management District's Advisory Board is recommending that services remain at the current level, and that the district itself remains unchanged.

**Attachment 2**

# RESOLUTION NO.

Adopted by the Sacramento City Council

## ADOPTING THE ANNUAL BUDGET AND LEVYING ASSESSMENT FOR DEL PASO BOULEVARD PROPERTY AND BUSINESS IMPROVEMENT DISTRICT (FY 2008/09)

## BACKGROUND

**A.** The Del Paso Boulevard Property and Business Improvement District ("District"), as depicted in Exhibit A, was established by the City Council and approved by the property owners on May 24, 2005.

**B.** The City Council established the District under the Property and Business Law of 1994 (California Streets and Highway Code–Sections 36600 to 36671) and has previously levied assessments on property in the District to pay for improvements and services to be provided within the District, all in accordance with the PBID Law of 1994.

**C.** The Del Paso Boulevard Property and Business Improvement District provides for economic development, image enhancement, security and maintenance services and advocacy with the intent of continuing to create a positive atmosphere in the Del Paso Boulevard Commercial Corridor Area. All services are as defined within the Management Plan Annual Report, separately bound and on file in the City Clerk's Office, and by reference made a part of this resolution.

**D.** This year's assessments will not increase from the previous year, and are still below the highest authorized amount for this district shown on Exhibit B.

**E.** The Council is fully advised in this matter.

## BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

**Section 1.** The City Council finds and determines that the background statements, A through E are true and correct.

**Section 2.** The City Council:

a) adopts the annual budget set forth in the FY 2008/09 Management Plan; and

b) levies the assessment set forth in the FY 2008/09 Management Plan.

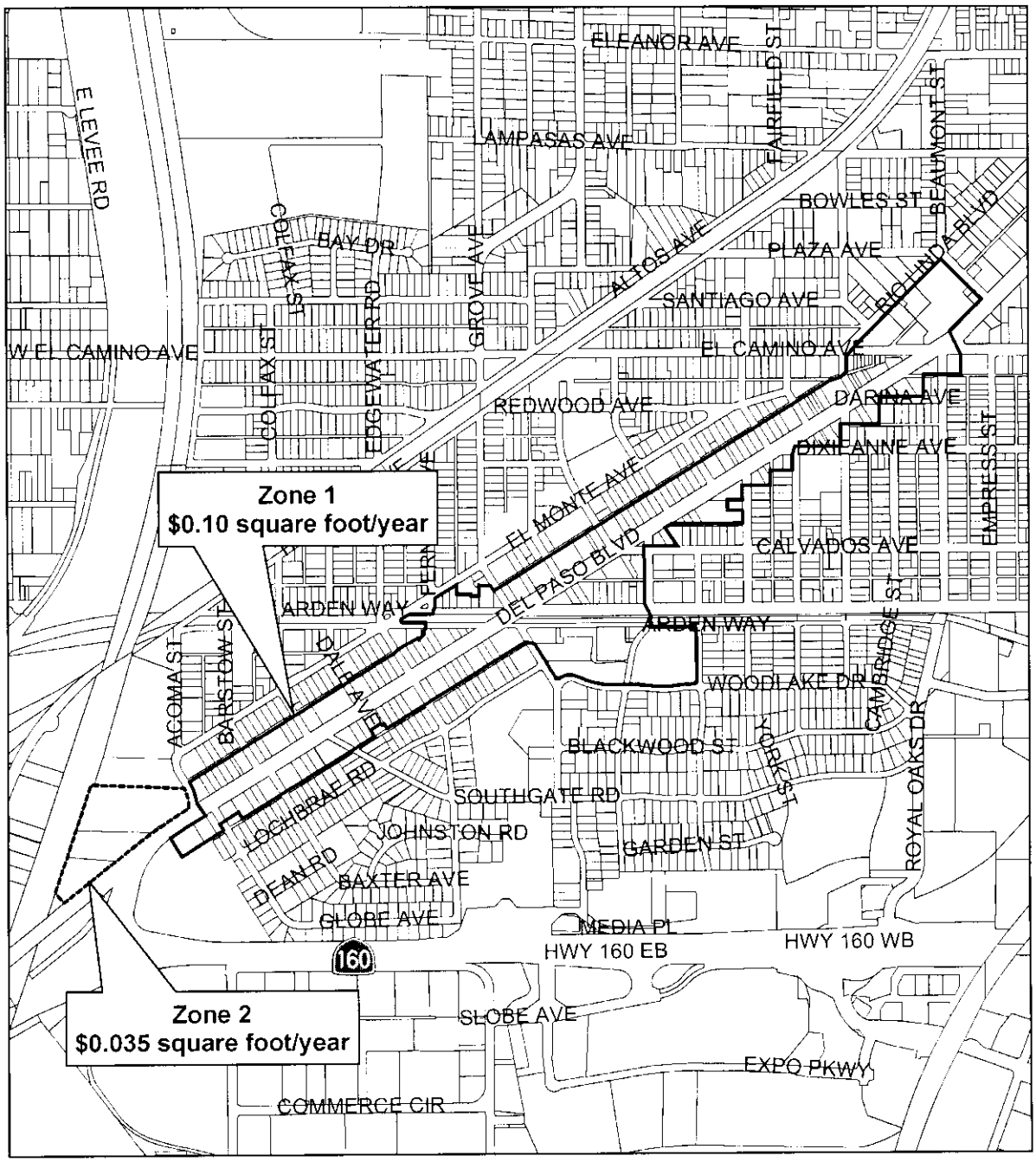
**Section 3.** Exhibits A and B are part of this resolution.

**Table of Contents**:

Exhibit A: District Map -1 Page
Exhibit B: FY2008/09 District & Parcel Assessment -1 Page

## EXHIBIT A

## Del Paso Boulevard
## Property and Business Improvement District 2005-03



## EXHIBIT B

## DEL PASO BOULEVARD
## PROPERTY AND BUSINESS IMPROVEMENT DISTRICT
## FY 2008/2009 DISTRICT AND PARCEL ASSESSMENT

### DISTRICT ASSESSMENT

| District | FY 2008/09 Budget | Surplus / (deficit) | FY 2008/09 Assessed |
|---|---|---|---|
| Del Paso Blvd. PBID | $211,817 | $1,817 | $210,000 |

### PARCEL ASSESSMENT

ANNUAL ASSESSMENT RATES ARE BASED ON AN ALLOCATION OF PROGRAM COSTS ON A COST PER PARCEL SQ. FT. CALCULATION AS REFLECTED BELOW:

| Benefit Zone | Cost Per Parcel Sq. Ft. |
|---|---|
| Zone 1 | $0.1000 |
| Zone 2 | $0.0350 |
| Religious Properties<br>Zone 1<br>Zone 2 | <br>$0.0500<br>$0.0175 |
| Auto Wrecking Properties<br>Zone 1<br>Zone 2 | <br>$0.0300<br>$0.0105 |

**Attachment 3**

# RESOLUTION NO.

Adopted by the Sacramento City Council

## AMENDING THE CITY'S FISCAL YEAR 2008/09 BUDGET FOR THE DEL PASO BOULEVARD PROPERTY AND BUSINESS IMPROVEMENT DISTRICT, FUND 253

**BACKGROUND**

**A.** The Del Paso Boulevard Property and Business Improvement District ("District"), as depicted in Exhibit A, was established by the City Council and approved by the property owners on May 24, 2005.

**B.** The City Council established the District under the Property and Business Law of 1994 (California Streets and Highway Code–Sections 36600 to 36671) and has previously levied assessments on property in the District to pay for improvements and services to be provided within the District, all in accordance with the PBID Law of 1994.

**C.** The Council is fully advised in this matter.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

**Section 1.** The City Council finds and determines that the background statements, A through C are true and correct.

**Section 2.** The FY 2008/09 revenue budget of $210,000 [$211,817 - $1,817 surplus] and expenditure budget of $211,817 is amended for the District as set forth in Exhibit B.

**Section 3.** The Finance Director is authorized to expend a portion of the budgeted funds in the amount of $2,567 for the Planning Department and for the Department of Finance to provide services for the District, as set forth in Exhibit B, which will be reimbursed by the District.

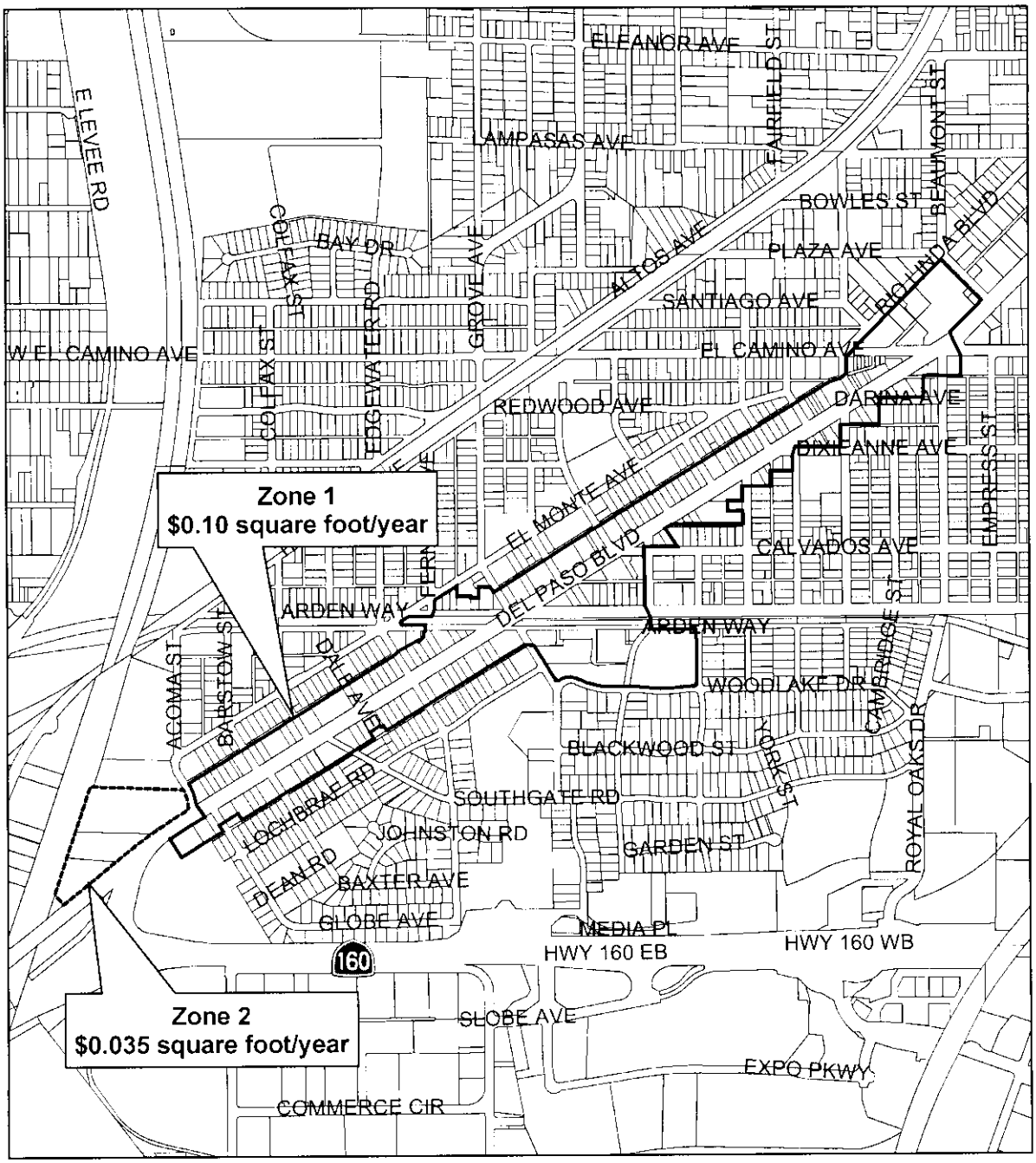
**Section 4.** Exhibits A and B are part of this resolution.

**Table of Contents:**

Exhibit A: District Map – 1 Page
Exhibit B: FY2008/09 District Budget & Parcel Assessment – 1 Page

**EXHIBIT A**

## Del Paso Boulevard
## Property and Business Improvement District 2005-03



## EXHIBIT B

## DEL PASO BOULEVARD PROPERTY AND BUSINESS IMPROVEMENT DISTRICT FY 2008/09 BUDGET & PARCEL ASSESSMENT

| | |
|---|---|
| Del Paso Blvd PBID | $207,433 |
| Interest Earned (Surplus) | 1,817 |
| Del Paso Blvd PBID Total | $209,250 |
| | |
| Special Districts Administration | 765 |
| Consultant (Muni) Reporting | 407 |
| Finance Administration | 1,227 |
| County Billing Cost | 168 |
| Contingency | 0 |
| | |
| Subtotal | $211,817 |
| Less: Surplus | (1,817) |
| | |
| **Total Assessment** | **$210,000** |

## PARCEL ASSESSMENT

ANNUAL ASSESSMENT RATES ARE BASED ON AN ALLOCATION OF PROGRAM COSTS ON A COST PER PARCEL SQ. FT. CALCULATION AS REFLECTED BELOW:

| Benefit Zone | Cost Per Parcel Sq. Ft. |
|---|---|
| Zone 1 | $0.1000 |
| Zone 2 | $0.0350 |
| Religious Properties<br>Zone 1<br>Zone 2 | <br>$0.0500<br>$0.0175 |
| Auto Wrecking Properties<br>Zone 1<br>Zone 2 | <br>$0.0300<br>$0.0105 |