



REPORT TO COUNCIL City of Sacramento

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

CONSENT
June 24, 2008

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

**Title: Midtown Sacramento Property and Business Improvement District – Annual
Proceedings FY2008/09**

Location/Council District: The Midtown Sacramento Property and Business Improvement District (PBID) is located in the central commercial core of Midtown Sacramento in Council Districts 1, 3, 4 and is comprised of approximately 560 parcels (Exhibit A, page 7).

Recommendation: Adopt 1) a **Resolution** adopting the Midtown Sacramento PBID annual budget, and levying assessment.

Contact: Sini Makasini, Administrative Analyst, (916) 808-7967; Mark Griffin, Fiscal Manager, (916) 808-8788

Presenters: Not Applicable

Department: Planning Department

Division: Public Improvement Financing

Organization No: 4915

Description/Analysis

Issue: The Property and Business Improvement District Area Law of 1994 requires the District to present an annual budget for City Council approval. Approval will authorize the City to collect assessments in the amount sufficient to provide funding for clean and safe programs, parking services, marketing and advocacy within the Midtown commercial corridor for FY2008/09.

Policy Considerations: The annual proceedings for the District are being processed as set forth in section 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 part 7 (beginning with section 36600) of division 18 in the California Streets and Highways Code.

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.

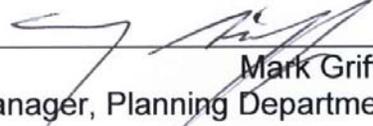
The PBID assessment budget for FY 2008/09 is \$592,250 (Exhibit B, page 8). The Midtown Sacramento PBID will receive approximately \$587,026. The remaining \$5,224 will be retained by the City to cover City administration cost.

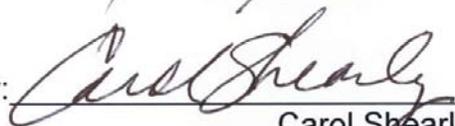
Annual assessment rates are based on special benefit received. These special benefits have been calculated based on an allocation of program costs and a calculation of parcel square foot. Assessment rates vary based on property classification (see Exhibit B page 9). Assessment rates may be subject to an increase by no more than 3% per year.

Program	Budget	% of Total
Administration	\$77,250	13.1%
Maintenance	\$110,725	18.7%
Marketing/Advocacy	\$110,725	18.7%
Parking Services	\$87,550	14.7%
Security – Daytime/Nighttime	\$206,000	34.8%
Total	\$592,250	100%

Formal amendment to the City's FY budget 2008/09 will be brought under separate action after adoption of the Citywide budget.

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, Planning Department

Approved by: 
Carol Shearly
Director, Planning Department

Recommendation Approved:


Ray Kerridge
City Manager

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Attachment 1

BACKGROUND

The Midtown Sacramento PBID was approved by City Council on August 9, 2007, in accordance with the Property and Business Improvement District Area Law of 1994. The District became effective on January 1, 2008. The District provides funding for the following services within the central commercial core of Midtown Sacramento: Security services, street maintenance, parking services and marketing efforts for economic development within boundaries of the PBID.

Annual assessment rates are based on special benefit received. These special benefits have been calculated based on an allocation of program costs and a calculation of parcel square foot. Assessment rates vary based on property classification (see Exhibit B, page 9). Assessment rates may be subject to an increase by no more than 3% per year.

The Midtown PBID 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.

Attachment 2

RESOLUTION NO.

Adopted by the Sacramento City Council

**ADOPTING THE ANNUAL BUDGET AND LEVYING ASSESSMENT FOR MIDTOWN
SACRAMENTO PROPERTY AND BUSINESS IMPROVEMENT DISTRICT
(FY 2008/09)**

BACKGROUND

- A. The Midtown Sacramento Property and Business Improvement District (“District”), the boundaries of which are depicted in Exhibit A, was established by the City Council and approved by the property owners on August 9, 2007 and became effective January 1, 2008.
- B. The City Council established the District under the Property and Business Improvement District Law of 1994 (California Streets and Highway Code—sections 36600 to 36671) (the “PBID Law”) 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.
- C. The District provides for clean and safe programs, parking services and marketing/advocacy promotion with the intent of continuing to create a positive business atmosphere in Midtown Business 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 increase by 3% from the previous year, and are still below the highest authorized amount for the District shown on Exhibit B.
- E. The City 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 that the background statements in paragraphs A through E above are true.

Section 2. The City Council hereby-

- a) adopts the District’s annual budget set forth in the FY 2008/09 Management Plan; and
- b) levies on property within the District the assessment set forth in the FY 2008/09 Management Plan.

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

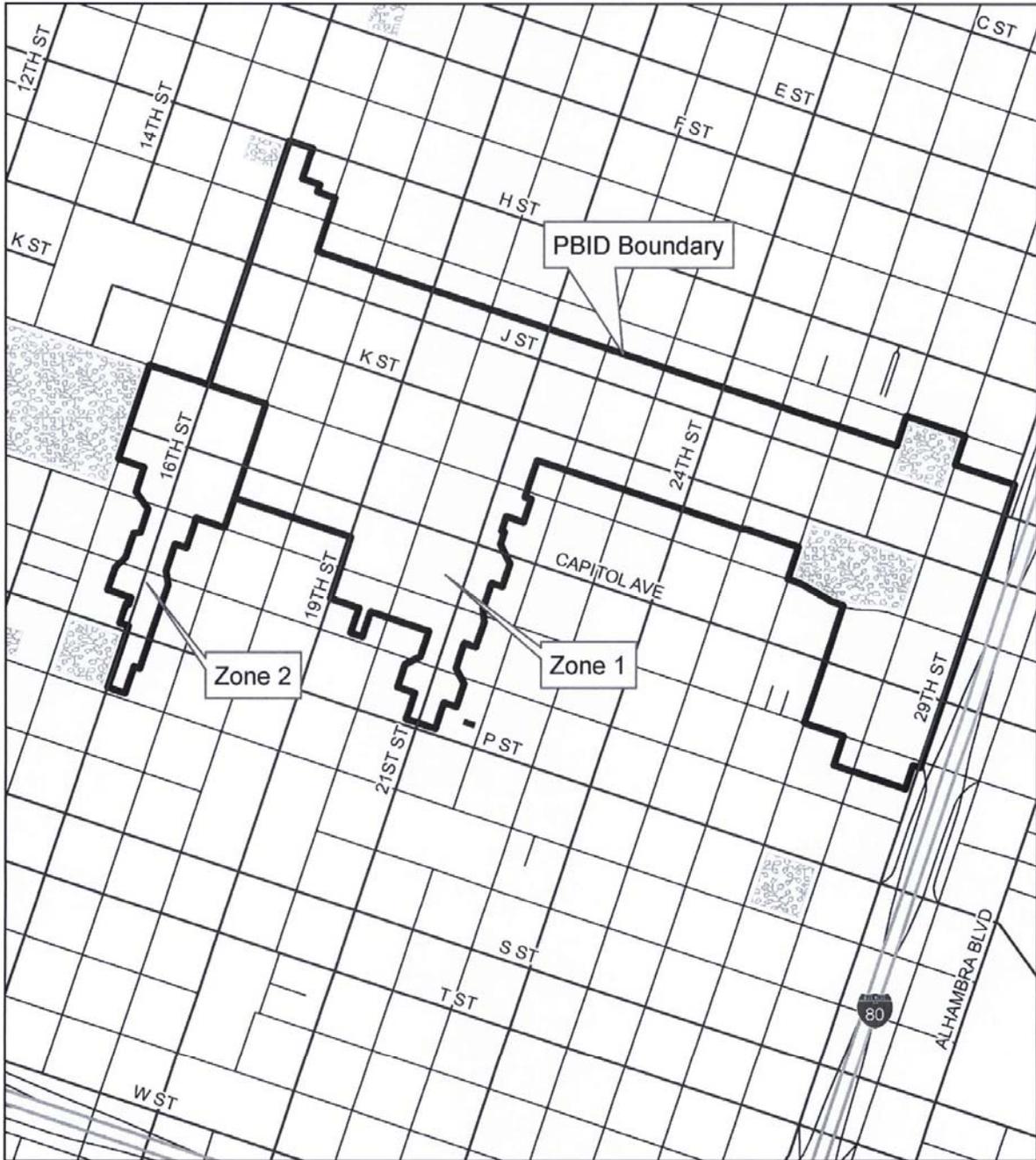
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Exhibit A: District Map -1 Page

Exhibit B: FY2008/09 District & Parcel Assessment -2 Pages

EXHIBIT A

Midtown Sacramento Property and Business Improvement District



G.I.S.
City of
Sacramento
Planning Department
BMueller 05/27/08

0 625 1,250 2,500 Feet



EXHIBIT B

**MIDTOWN SACRAMENTO
PROPERTY AND BUSINESS IMPROVEMENT DISTRICT
FY 2008/2009 DISTRICT AND PARCEL ASSESSMENT**

DISTRICT ASSESSMENT

District	FY 2008/09 Assessment Budget	Surplus / (deficit)	FY 2008/09 Revenue
Midtown Sacramento PBID	\$592,250	\$0	\$592,250

EXHIBIT B

PARCEL ASSESSMENT

Annual assessment rates are based on special benefit received. These special benefits have been calculated based on an allocation of program costs and a calculation of parcel square foot. Assessment rates vary based on property classification (see chart below). Assessment rates may be subject to an increase by no more than 3% per year.

Property Classification	Annual Rate per Lot Square Foot Zone 1	Annual Rate per Lot Square Foot Zone 2	Parking Service Charge
Standard Full Service Area (ZONE 1)	\$0.01298	NA	Yes, \$.021 included into annual rate
Standard Reduced Service Area (ZONE 2)	NA	\$0.00937	Yes, \$.021 included into annual rate
Religious, Educational or Other Charitable Tax-Exempt Parcels	\$0.01082	\$0.00721	No Parking Charge
Healthcare Tax Exempt Rate	\$0.01082	\$0.00721	No Parking Charge
Publicly-owned Parks	\$0.01082	\$0.00721	No Parking Charge

**Five Year Operating Budget
Annual Assessment with 3% Maximum Increase per Year**

	2008	2008	2009	2010	2012
Annual Assessment	\$575,000	\$592,250	\$610,018	\$628,318	\$647,168