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REPORT TO COUNCIL
City of Sacramento

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

CONSENT
July 29, 2008

Honorable Mayor and
Members of the City Council

Title: Power Inn Area Property and Business Improvement District – Annual Proceedings FY2008/09

Location/Council District: The Power Inn Area Property and Business Improvement District (PBID) is located in the Power Inn Industrial Corridor south of Highway 50 in Council District 6, and is comprised of approximately 671 individual parcels and 400 property owners (Exhibit A, page 7).

Recommendation: Adopt a **Resolution** adopting the Power Inn Area 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 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 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 Power Inn industrial corridor for FY2008/09.

Policy Considerations: The annual proceedings for this 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 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 $253,575, plus the surplus amount of $1,277 (Details on Exhibit "B", page 8). The Power Inn Area PBID will receive approximately $251,777. The remaining $3,075 will be retained by the City to cover City administration cost.

Program	Budget	% of Total
Advocacy & Communications	$71,662	28.2%
Security Coordination	$33,075	13.2%
Economic Development & Marketing	$44,100	17.4%
Maintenance / Beautification	$93,713	37.0%
Contingency / PBID Renewal	$11,025	4.2%
Total	$253,575	100%

The annual costs to the property owners will be based on a per acre cost. The assessment rates proposed for FY 08/09 will increase from the previous fiscal year by 5%. The cost to the property owner is set at $183.75 per acre in Zone 1, and $105.00 per acre in Zone 2. All religious and tax-exempt properties will be assessed at a 50% rate for either Zone.

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

Approved by: _____
Carol Shearly
Director of Planning

Recommendation Approved:

_____
Ray Kerridge
for City Manager

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Attachment 1

BACKGROUND

The Power Inn Area Property and Business Improvement District ("District"), as depicted in Exhibit A, page 7, was established by the City Council and approved by the property owners on July 18, 2006 effective January 1, 2007. The District provides funding for the Power Inn Area PBID to provide the following services within the Power Inn Industrial Corridor:

- Advocacy and Communication
- Security Coordination
- Economic Development and Marketing
- Maintenance Beautification

The annual assessments are based upon allocation of program costs and a calculation per acre of land at $183.75 per acre for Zone 1 and $105.00 per acre for Zone 2. All religious and tax-exempt properties will be assessed at a 50% rate for either Zone. The Power Inn Area PBID Advisory Board has prepared the Annual Report, which is on file with the City Clerk.

Attachment 2

RESOLUTION NO.

Adopted by the Sacramento City Council

ADOPTING THE ANNUAL BUDGET AND LEVYING ASSESSMENT FOR POWER INN AREA PROPERTY AND BUSINESS IMPROVEMENT DISTRICT (FY 2008/09)

BACKGROUND

A. The Power Inn Area Property and Business Improvement District ("District"), as depicted in Exhibit A, was established by the City Council and approved by the property owners on July 18, 2006 and became effective January 1, 2007.

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) 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 Power Inn Area Property and Business Improvement District provides for advocacy and communications, economic development and marketing, security coordination and maintenance services with the intent of continuing to create a positive atmosphere in the Power Inn Industrial 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 5% 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.

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

EXHIBIT A

Power Inn Area PBID

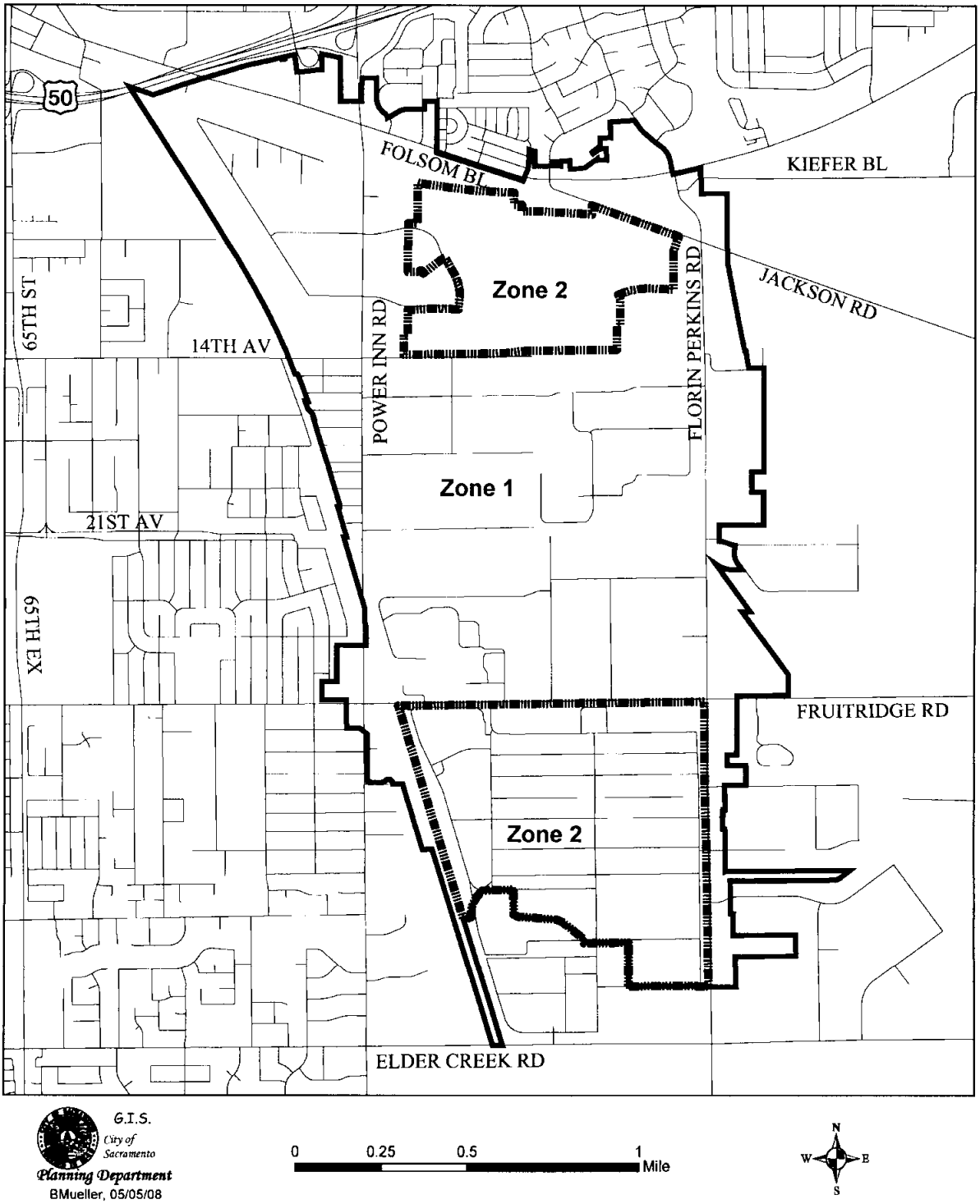

EXHIBIT B

POWER INN AREA
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
Power Inn Area PBID	$253,575	$1,277	$254,852

PARCEL ASSESSMENT

ANNUAL ASSESSMENT RATES ARE BASED ON AN ALLOCATION OF PROGRAM COSTS ON A COST PER ACRE CALCULATION AS REFLECTED BELOW:

Rate Per Acre of Land Zone 1	Rate Per Acre of Land Zone 2
$183.75	$105.00

Five Year Operating Budget
Annual Assessment with 5% Maximum Increase per Year

	2007	2008	2009	2010	2011
Annual Assessment	$230,000.00	$241,500.00	$253,575.00	$266,253.75	$279,566.44