



**OAK PARK
PROPERTY AND BUSINESS IMPROVEMENT DISTRICT
MANAGEMENT DISTRICT PLAN**

Submitted to the

Oak Park Business Association

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By

Downtown Resources

OAK PARK MANAGEMENT DISTRICT PLAN

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I. OAK PARK MANAGEMENT DISTRICT AT-A-GLANCE

The Oak Park Property and Business Improvement District (PBID) has enjoyed a successful and prosperous term. We have made significant efforts in the District to leverage its property owner investment to maximize increased public investment resulting in a more attractive and friendly physical environment. While our businesses focus on their individual issues, the PBID provides a framework to look at the area as a whole and view long-term strategies and solutions for maintaining the District's economic and social viability into the future.

The term of the PBID will expire at the end of 2009. Property owners within the Oak Park District are pleased with the services provided by the current PBID. Based on feedback from focus groups and stakeholder outreach, they created this Management Plan to renew the District. The renewed District establishes an improvement program above and beyond those services provided by the City of Sacramento (the "City").

Location: The approximate boundaries: The District is bordered on the north end from W Street and runs along Alhambra Boulevard frontage parcels to Y Street, where it turns down Broadway. All parcels which front Broadway down to where it intersects with Martin Luther King Boulevard are included. Some parcels along side streets such as 2nd Avenue to the east of Broadway, and 3rd, 4th and 5th Avenue to the West of Broadway, are included. The boundaries have two zones. Zone 1 is the dense commercial parcels along Alhambra Blvd., Broadway, and the surrounding side streets. Zone 2 includes McGeorge Law School, Sara Lee Bakery Group, and McClatchy Park along 33rd Street and a small portion of 5th Avenue. For specific boundaries, please see the boundary map beginning on page 8.

Services: The PBID will continue to provide a security program to support police and property owner crime prevention efforts; maintenance services to increase the frequency of litter and debris removal, pressure washing of sidewalks and graffiti removal; image enhancement & advocacy to promote business interests and allow the business community to speak with one voice and leverage additional funding for Oak Park improvements.

Name: "Oak Park Property and Business Improvement District"

Budget: The total PBID budget for year one of its seven (7) year operation is a base of approximately \$204,327.29. Assessment rates may be subject to an increase by no more than 3% per year or the annual CPI for the San Francisco-Oakland Area, whichever is less.

Cost: Annual assessment rates are based on an allocation of program costs and a calculation of lot square footage. The cost to the property owner is \$0.123 per square foot of land per year in Zone 1 and \$0.041 per square foot of land per year in Zone 2. Tax exempt properties are assessed at approximately 25% rate or \$0.031 per square foot in Zone 1. There are no tax exempt properties in Zone 2. Exclusively residential properties with 4 units or less are not assessed.

Formation: PBID renewal requires submittal of petitions from property owners representing at least 50% of the total annual assessment and a favorable ballot vote of the property owners conducted by the City. The “Right to Vote on Taxes Act” (also known as Proposition 218) requires that more than 50% of the ballots received, weighted by assessment, be in support of the PBID. There will also be City Council hearings.

Duration: The renewal of the PBID will have a seven (7) year term. After seven (7) years, the petition process, ballot process, and City Council hearing process must be repeated for the PBID to be reestablished. The seven (7) year term will begin on January 1, 2010 and expire on December 31, 2016.

II. WHY RENEW THE PBID FOR OAK PARK

The Oak Park PBID has had a successful first term and there are several reasons to support the renewal. For example:

1. *The Need to Continue the Clean and Safe Program*
Security

Continue and increase the security program that works closely with the community and Sacramento Police Department.

Maintenance Patrol

Continue and increase Maintenance patrols that provide additional debris and garbage collection, and graffiti abatement beyond City Services.

2. *The Need to Continue to be Proactive in Determining the Future of Oak Park.*
Advocacy, Advertising, and Economic Development Program

Providing Oak Park with an effective, clear voice in government decisions, the Plan provides for an administrator to speak on behalf of the property owners within the PBID.

Image Enhancement Program

The Image Enhancement Program will be developed to promote Oak Park as a vibrant commercial center. The program that is developed by the property owners will include several tools to support the efforts of individual property owners and brokers to attract and retain tenants. Several types of communication elements could be used, including banners, business directories, and promotional events.

3. *The Need to Continue to Attract New Business and Investment Throughout Oak Park.*

To compete as a successful commercial district Oak Park must continue a proactive strategy to retain businesses and tenants, as well as attract new business and investment. Renewing the PBID will provide the financial resources to develop and implement a focused strategy that will work to fill vacancies and attract new businesses to all areas of Oak Park.

4. *Continue the Private/Public Partnership with a Unified Voice for Oak Park.*

Because property owners are investing private money through the PBID, they will be looked

upon as a strong partner in negotiations with the City. Continuing this partnership has the ability to leverage the property owner's investment with additional public investment in Oak Park.

5. *Continued Private Sector Management and Accountability.*

The Oak Park Business Association, a non-profit business organization, formed for the sole purpose of improving Oak Park currently manages the services offered. Annual PBID work plans and budgets are developed by the board of this non-profit. The board is comprised of stakeholders that own businesses and property in Oak Park. New security, marketing, and promotional services will be subject to private sector performance standards, controls, and accountability.

The increasing Sacramento population, coupled with a strong demographic mix, gives businesses in Oak Park an opportunity to expand their market base. However, the Oak Park business area also has extensive competition from other areas of the City. For Oak Park businesses to remain competitive, they must retain and expand their market presence. Thus, renewing the PBID will provide the means for businesses to avoid and combat the problems that lead to declining market presence.

III. WHAT IS A PROPERTY AND BUSINESS IMPROVEMENT DISTRICT

The International Downtown Association estimates that more than 1,200 PBIDs currently operate throughout the United States and Canada.

A PBID may provide services, identity formulation, market research, and economic development in addition to those provided by local government. In addition, they may provide physical improvements such as entry features, benches, or lighting. These services are concentrated within a distinct geographic area and are paid for by means of a special property owner assessment. A Board of Directors representing those who pay the assessment would govern the organization responsible for providing these services.

PBIDs are proven to work by providing services that improve the overall viability of commercial districts, resulting in higher property values and sales volumes.

The Oak Park PBID will be formed pursuant to the “Property and Business Improvement District Law of 1994,” which was signed into law by then Governor Pete Wilson. The legislation ushered in a new generation of PBIDs in California by allowing a greater range of services and independence from government. The PBID law:

- Allows PBIDs to undertake services ranging from security to maintenance and from business advocacy to economic development.
- Allows revenue for services to be raised from annual assessments on real property.
- Allows formation and renewal of a PBID *designed and governed by those who will pay* the assessment.
- Requires petition support from private property owners paying at least 50% of proposed private property assessments to form a PBID.
- Requires limits for assessments to ensure that they do not exceed pre-established levels.
- Provides a multi-year life for PBIDs. Renewal of a PBID requires a new petition process, Proposition 218 ballot vote, and City or County hearings. The Oak Park PBID will have a seven (7) year term.

The “Property and Business Improvement Business District Law of 1994” (AB 3754) as amended January 1, 2009 is provided in Appendix 1 of this document.

IV. HISTORY OF OAK PARK PBID EFFORT

A. Area History

The Oak Park commercial area is the second oldest commercial area in the City of Sacramento. The area was originally developed in the late 1880's as a separate community and the first “suburb” of Sacramento in 1892. The “downtown” of Oak Park included lively retail and theater development along Broadway and 35th Streets. The area was connected to the Central City by a trolley system which terminated in Oak Park (now McClatchy Park) at 5th Avenue and 35th Street.

In the 1940's and 1950's the commercial core of Oak Park served as a strong and vital downtown. However, transportation changes in the late 1950's (i.e. Construction of State Highway 99) and suburbanization trends in the region undermined the economic base of the area. With new transportation routes and new suburban areas developing, many middle and upper class families moved away from Oak Park.

During the late 1960's, national and local issues related to civil rights and community relations were reflected in the riots of Oak Park. The central retail core of Oak Park along 35th Street was subjected to fires and disinvestment. Subsequently, federal urban renewal funding and redevelopment funds were used to clear the blighted buildings. Thus, by the late 1960's and early 1970's, Oak Park was selected as a revitalization area for the Federal Department of Housing and Urban Development's “War on Poverty” programs, and subsequently in 1973, a redevelopment area was formed.

Since formation as a redevelopment area, the community and local government has focused in large part on improving living conditions in Oak Park through new housing improvements and infrastructure. In 1995, an Oak Park Business Association was reestablished, reflecting a renewed interest in revitalizing the commercial corridor and encouraging new businesses in the area.

Since that time, many new businesses have been established in historic Oak Park. However, image and security problems are still challenges to the commercial vitality of the area. Thus, the Oak Park Business Association began exploring options to support more effective revitalization and improvement of the commercial area. A PBID was identified as one of the most successful tools used by similar commercial areas seeking to revitalize. To this end, the Oak Park Business Association and their partners are promoting broader understanding of and support for the renewal of a PBID for Oak Park.

B. PBID History and Accomplishments

In 2002, the Oak Park Business Association and the Sacramento Housing and Redevelopment Agency (SHRA) determined that the formation of a PBID would enhance the economic development of the Oak Park commercial area. To this end, the Business Association and SHRA began to hold property owner meetings to determine the property owners' concerns and interests. In 2004, the property and business owners successfully petitioned and formed the Oak Park PBID.

Since its inception the Oak Park PBID has helped to improve the area in significant ways. Over the past five years the Oak Park Business Association has worked to increase security, clean streets and graffiti abatement, and promote the commercial area. Some of the notable accomplishments are noted below.

IMAGE ENHANCEMENT

- Cleaner Streets and Bus Shelters
- Banners Added to Highlight Oak Park
- Streets Sweeps and Daily Litter Removal
- Graffiti Removal
- Weed and Seed Grant
- Historic Street Lighting

SECURITY AND SAFETY

- Success Attacking Disorder and Petty Crimes with Oak Park Private Security Patrol
- Security Lights on Alhambra
- McGeorge and Oak Park Business Association Collaboration.
- Created Positive Working Relationships with All Local Law Enforcement Commanders and Problem Oriented Police (POP) Units:
 - Sacramento County Sheriff's Office
 - Sacramento City Police Department
 - California Highway Patrol
- Visible Reduction in Prostitution Activity in the Oak Park Boundaries with Community Pride Project and the Oak Park Neighborhood Association.
- Created special loitering and trespassing signage for increased enforcement of those violations

ADVOCACY

- Sacramento Housing and Redevelopment Agency has Larger Footprint in the Area
- Excellent Working Relationships with Local Elected Officials
- OPBA Holds Seats on the SHRA Redevelopment Advisory Committee, Community Advisory UC Davis Health System, South Sacramento Coalition of Business Associations, Oak Park Neighborhood Association, and Community Pride Project.

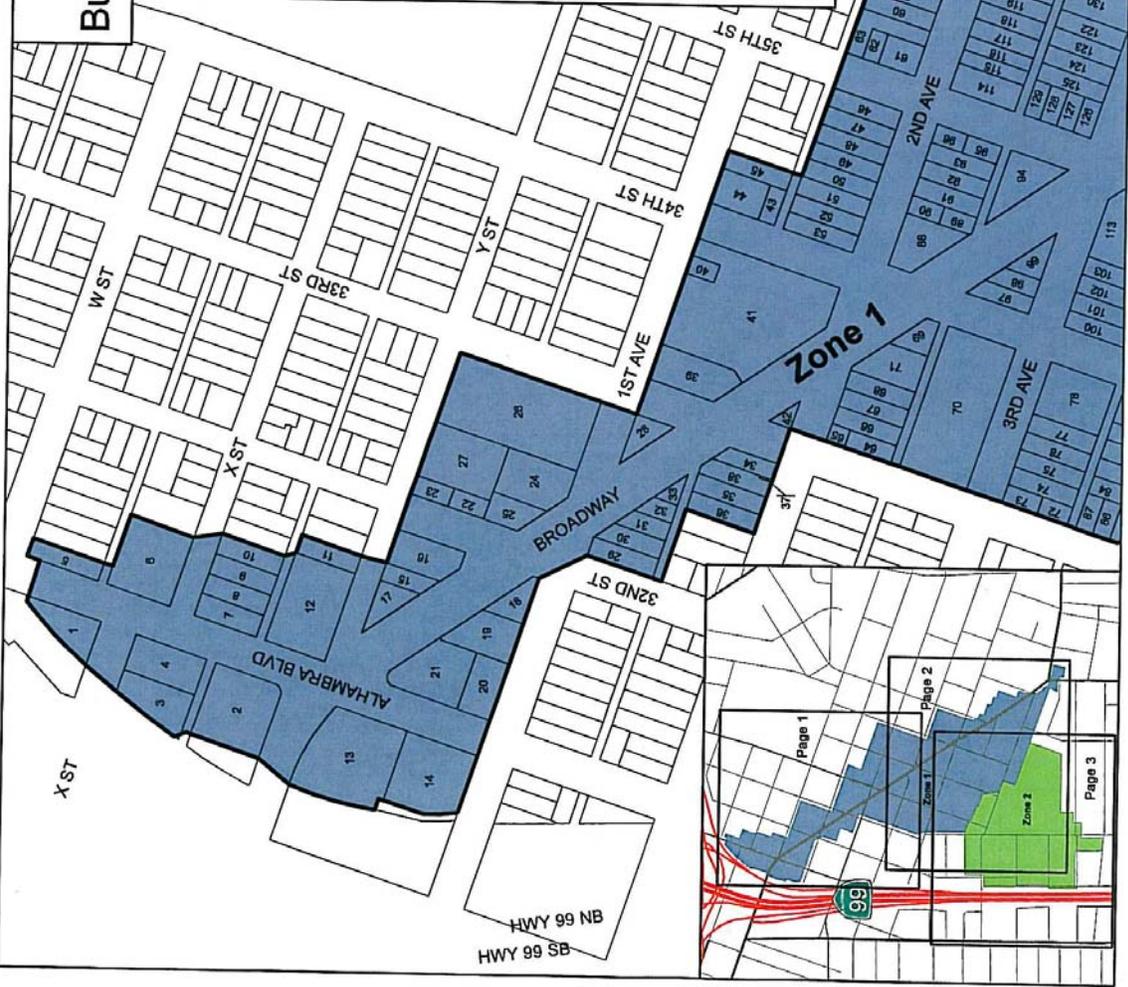
V. PBID BOUNDARIES

The Oak Park PBID will deliver services along and surrounding the Broadway commercial corridor in Oak Park. The boundaries have been divided into two zones. Zone 1 on the north end is bordered by W Street and runs along Alhambra Boulevard frontage parcels to Y Street, where it turns down Broadway. Zone 1 includes all parcels which front Broadway down to where it intersects with Martin Luther King Jr. Boulevard. Some parcels along side streets such as 2nd, 3rd, 4th, and 5th Avenues are included. Properties which make up Zone 2 run along 33rd Street from 5th Avenue to 6th Avenue, and from 32nd Street to 35th Street and include McGeorge Law School, Sara Lee Bakery Group, and McClatchy Park.

The service area includes 172 assessed properties which are owned by approximately 95 property owners. Residential properties of 4 units or less within these boundaries will not be assessed. The area includes approximately 130 residential properties of 4 units or less that are not assessed. The PBID boundaries are illustrated by the map (Attachment 1) on the following page. Please see page 16 for the specific annual assessment formula based on lot square footage in Oak Park. A larger map is available on request by calling (916) 325-0604 or 1-800-999-7781.

Oak Park Property and Business Improvement District

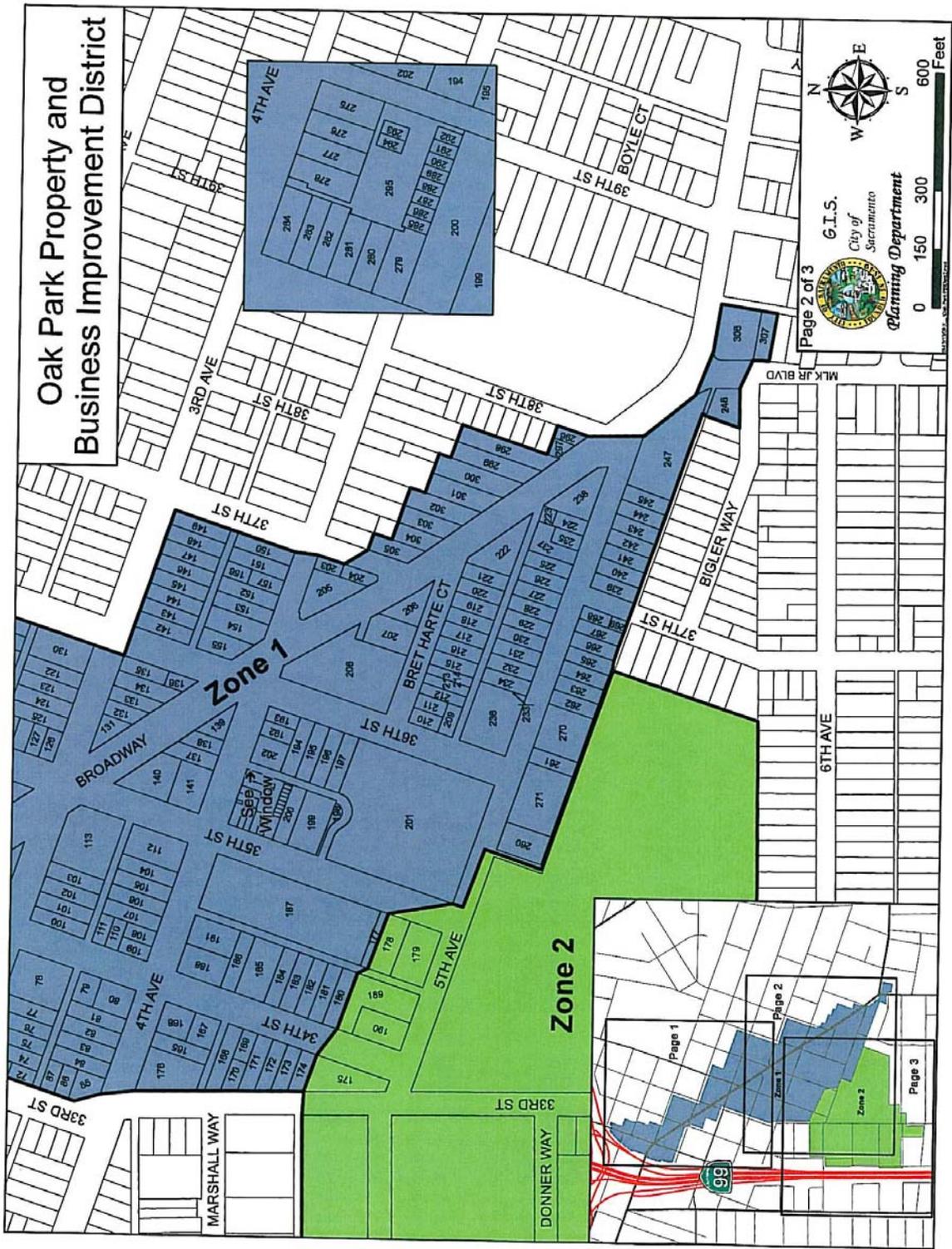
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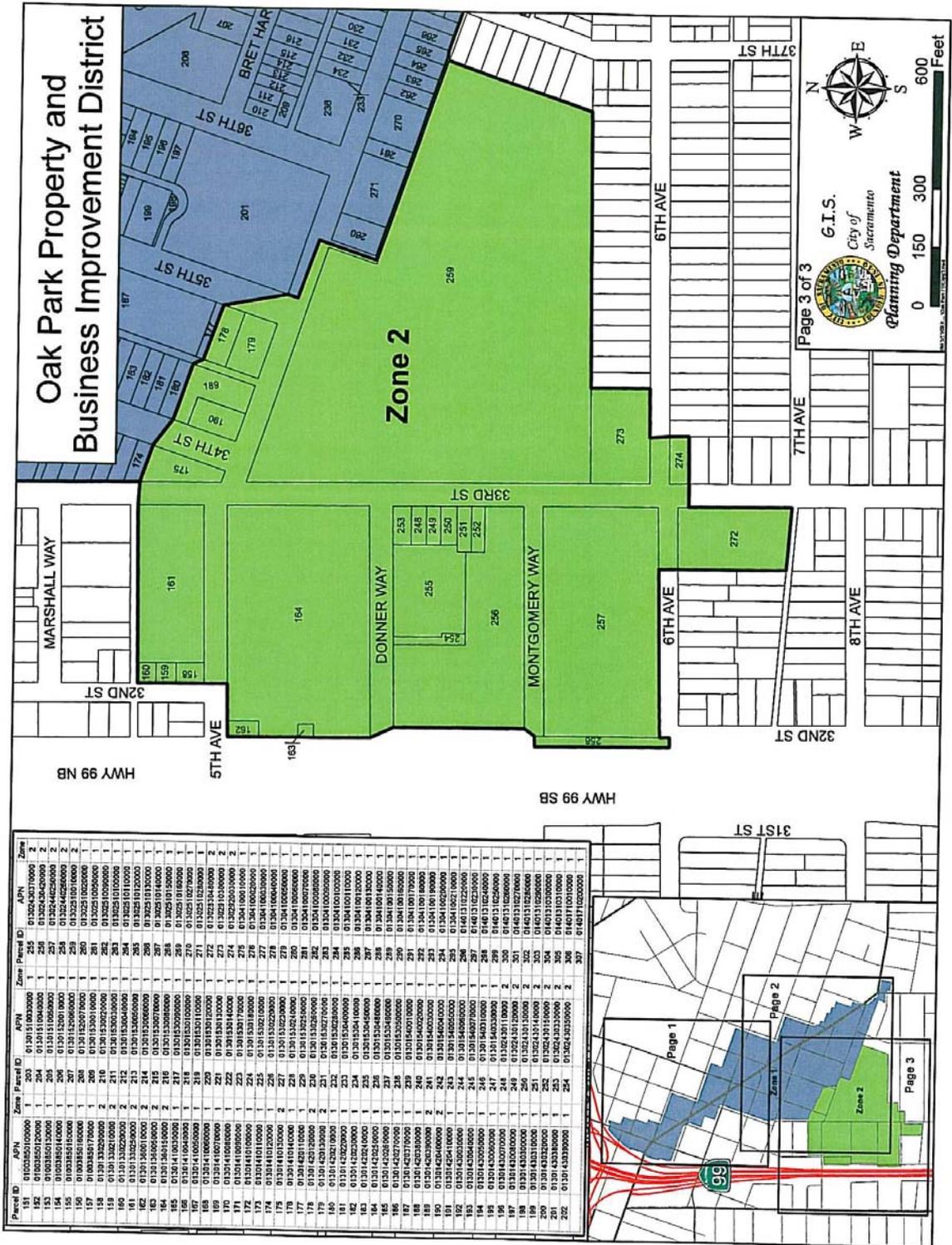


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G.I.S. City of Sacramento Planning Department

0 150 300 600 Feet





VI. SERVICE PLAN AND BUDGET

A. History of Establishing the Service Plan

Property and business owners in Oak Park have been concerned about the need for coordinated supplemental services in the area for several years. The City of Sacramento's services and efforts in the area have been welcomed, but limited resources have not allowed for a more comprehensive approach to managing the commercial area.

In 1994, Governor Wilson signed AB 3754 (Caldera) establishing the Property and Business Improvement District Law of 1994. This statewide enabling law created a mechanism for property owners to join forces and improve their commercial districts. The owners in Oak Park have seized the opportunity to utilize this tool to provide efficient supplemental services in a cost-effective manner. The following service plan details the nature and extent of the services proposed and provides an itemized budget.

B. Programs and Services to be Provided

The Oak Park Service Plan provides for security and business advocacy services above and beyond those currently provided by the City of Sacramento.

The following are some key aspects of the service plan budget:

- The Service Plan budget provides for a security and maintenance program that will serve a number of functions. This program will continue to increase awareness of security efforts, coordinate existing property owner security programs, and act as the "eyes and ears" for the Sacramento Police Department. The program will continue to reduce street disorder and serve a lead role in crime prevention.
- The maintenance program will keep the District clean. A roving maintenance service would patrol the area for high incidence of litter and other garbage, and remove graffiti and other debris from streets and sidewalks.
- Communications and advocacy activities will be launched to create an image of Oak Park as a single destination with a rich set of unique opportunities. Through media relations and community outreach, the image enhancement and marketing program will generate positive free media coverage of the area to improve the overall image of Oak Park. Internally, it will be important to facilitate consistent and frequent communications with property owners and tenants. Advocacy activities include influencing public entities to provide financial support and permitting assistance to the District.

The service levels received will be based on the amount paid into the PBID. Program descriptions and budgets of the proposed PBID security, image enhancement, business advocacy, and administrative services are provided in the following pages.

PBID Zones

In order to ensure that the level of assessment is in proportion to the benefits which each parcel will receive from the services provided by the PBID, and in proportion to the different characteristics of some of the parcels, two zones are proposed:

- Zone 1 includes smaller, denser parcels along Alhambra Blvd. between W Street and 1st Avenue and parcels along Broadway from Alhambra Blvd. to Martin Luther King Jr. Blvd. as well as the surrounding side streets (see map on page 9). Zone 1 will get the highest level of clean and safe and will also benefit from the image enhancement and advocacy programs therefore they will pay a higher rate than Zone 2;
- Zone 2 includes much different parcels in terms of size, use, and characteristics. The area in Zone 2 already benefits from the security service that McGeorge Law School and Park Rangers provide; therefore, it does not need the high level of security that Zone 1 will receive. The majority of parcels in Zone 2 are owned by McGeorge Law School and Sara Lee Bakery Group. McClatchy Park is also in Zone 2. These parcels will directly benefit from the clean and safe program by supplementing their existing programs. The security services to be employed in the district will be available to coordinate with existing security services provided by these parcels. Additionally, maintenance crews employed by the district will assist in litter and debris removal, pressure washing of sidewalks and graffiti removal along perimeter regions of the parcels. Because these parcels are not receiving the full benefit of the all the services of the PBID, their assessment is reduced to reflect the proportionality of the benefits that they receive. The reduced services Zone 2 will receive are reflected in the reduced rates (see “Assessment Methodology on page 17).

Zones are drawn to identify areas that are adjacent to or influenced by defining physical and/or economic features in the Oak Park PBID. Both zones will directly benefit from advocacy which serves to leverage additional money from outside sources for the entire area and represent all the commercial owners with one unified voice.

The first step in preparing the Management District Plan was to identify the existing “baseline” level of services provided by the City of Sacramento. In order to identify the aspects of the District that needed additional services, several property owner focus group meetings were conducted. In addition, numerous meetings were held with City of Sacramento staff, property owners, and business owners. Based on the information and opinions collected during this process, service priorities were identified. The information from each step of this process was integrated and this service plan was developed.

C. 2010 Operating Budget Summary

The summary of the year 2010 operating budget for the Oak Park PBID is provided on the following pages. The total improvement and activity plan budget for 2010 is projected at \$204,327.29. Property owners will contribute the entire amount through annual lot square-foot assessments. Expenditures will be made in the following program areas:

1. Public Safety and Maintenance Perception

a. Street Maintenance

Property owners realize that an attractive environment is key to customer retention and traffic flow. The property owners in the Oak Park PBID agree that the initial street maintenance program should be continued. There is a dramatic difference in the visual attractiveness of the area as compared to five years ago. The Street Maintenance program will meet the following objectives:

- Keep curbs, gutters, and sidewalks free of debris and litter resulting in more attractive storefronts;
- More attractive store fronts result in more customer traffic and increased sales;
- Keep bus stops clean and free of debris allowing for more consumer friendly and attractive transit interface;
- Overall improvement of amenities results in an increase in local, neighborhood consumer traffic.

b. Security Services

The PBID has made great strides in changing that image by working with law enforcement and by contracting for private security. This component of the PBID has been successful and can continue to grow. The property owners have indicated their continued interest in this effort. The PBID Security is aimed at following objectives:

- Work with law enforcement to educate property owners about methods of protecting their property from crime;
- Continue the private security patrols that assist law enforcement by being the “eyes and ears” of property owners;
- Continue the private security effort to attack loitering and trespassing; both of these crimes many times lead to more serious criminal behavior;
- Work with neighborhood groups by encouraging more involvement with law enforcement initiatives like crime watch.

The budget for the maintenance and security program is \$134,856.01 or 66% of the total PBID budget.

2. Business Advocacy, Communication and Economic Development

The PBID shall continue to act as an advocate for Oak Park property owners and businesses. In this role, the PBID has created relationships with local government officials and other agencies that impact the economic vitality of the area. The objectives of the Advocacy component include, but are not limited to, the following:

- Representing business interests at the City Council;
- Assist property and business owners to navigate through governmental or bureaucratic processes related to improving basic services;

- Provide information through a periodic newsletter or occasional Oak Park business forums, including “town hall” type meetings that solicit input from stakeholders;
- Continue to provide a meeting place for local neighborhood groups and act as a good neighbor to residents in the area, all of whom are customers of Oak Park merchants.

To provide Oak Park property owners representation in government decisions, the service plan provides for an administrator to speak for the property owners and to attend meetings that pertain to the continued health and vibrancy of the business corridor.

In addition, the property owners have determined that the PBID should act as a catalyst to attract new business and development to the area, as well as provide business retention programs. The Economic Development objectives include:

- Provide marketing support to site owners and developers by creating and distributing collateral marketing material;
- Assist the Sacramento City Economic Development Department with site location and data collection;
- Provide ongoing demographic research for potential developments.

There is a reasonable expectation that assisting property owners to fill vacant lots with new construction and new business will attract additional consumer interest to the area.

The budget for administration including labor, office rent, insurance, utilities, supplies, and marketing and economic development program, is \$51,081.82 or 25% of the budget.

3. Image Enhancement

In order to draw the public to Oak Park, the PBID needs to market itself as a single locality for a wide variety of attractions, events, and services. To accomplish this goal, the District will coordinate programs and events and recruit new businesses to the area. The primary purpose of the image enhancement and marketing program is to attract other sponsors to special events and attractions. The District administrator will approach other groups to support marketing events to attract businesses and to “tell the story” of Oak Park’s progress. Oak Park will work with the media to position the area for positive coverage.

The PBID would also manage the physical improvement and streetscape schedule by getting involved in the design process and assisting with the leverage of funds to complete the projects.

The budget for the marketing and communication including advertisements, image pieces, maps and guides, and special events, is \$18,389.46 or 9% of the total budget.

**Oak Park PBID
DRAFT Annual Budget**

<i>Services Provided</i>	<i>Descriptions</i>	<i>Total</i>
Security and Maintenance Enhancement (Clean and Safe)	<p>The proposed Security and Maintenance Program seeks to improve the overall safety and appearance of Oak Park. Security will be a collaborative effort between the Sacramento Police Department and Business and Property owners. The District will be improved by making the area more attractive through street maintenance providing daily street crews with a visible consistent presence to visitors, business and property owners and tenants in the area. The maintenance crews will be responsive to the property and business owners in the Oak Park PBID. This also includes work with Sacramento City code enforcement to identify and remove illegal dumping.</p>	\$134,856.01
Image Enhancement	<p>The Oak Park PBID will have a voice in the planning and implementation of various streetscape and physical improvement projects in Oak Park. The PBID will market Oak Park and implement a promotional program to attract potential businesses and new visitors to the area such as banners and events. The Oak Park PBID will partner with the city, local associations and groups with events in the community that will promote the mutually shared goals of making the community safe, and more attractive in order to promote and attract new businesses to our commercial corridor.</p>	\$18,389.46
Advocacy/Administration	<p>The Oak Park PBID will maintain representation to advance Oak Park property and business interests by speaking with one clear, credible, and unified voice. The PBID will advocate for matching funds where ever possible and will work to leverage additional money from various sources for Oak Park commercial area improvements. The PBID will continue to advocate for property and business owners within the District boundaries. The PBID will provide property owners representation to effectively navigate through governmental processes to achieve favorable results. The PBID will continue to engage in business retention and attraction activities working with Sacramento City Economic Development Departments and private developers.</p>	\$51,081.82
Total		\$204,327.29

C. Cooperation and Assistance from the City of Sacramento

The City of Sacramento has recognized the importance of Oak Park to the future economic growth of Sacramento. To that end, the City of Sacramento, through SHRA, has funded catalyst projects to encourage economic development in Oak Park, and has worked closely with property owners to improve building façades in the area.

SHRA has participated in the following projects in the Oak Park area:

Food Source Grocery Store: Construction of Food Source grocery store center, including a Walgreen's Drugs and Hollywood Video. The Agency assembled more than 30 individual lots and provided land, development assistance, and a \$2.25m subsidy to make the project feasible. The project created 69 new jobs in the Project Area and the store provided a much-needed resource to the community.

Broadway & Stockton Urban Design Plan: This award winning Plan completed in 1998 identifies a comprehensive vision for the Broadway and Stockton Boulevard corridors. The Plan outlines actions for regulating land uses, focusing economic development efforts, types and location for public improvements, transportation and circulation improvements and business district management strategies.

40 Acres Complex and Guild Theater: The 40 Acres Complex stands as St. HOPE Development Company's (SHDC) complete revitalization of the former Woodruff Hotel and Guild Theater located at 35th Street/Broadway. 40 Acres includes 9,750 square feet of retail, a completely renovated multi-purpose theatre with 220 seats, an art gallery, and twelve spacious, upscale apartments. The unique blend of tenants including Starbucks, Uncle Jed's Cut Hut, Underground Books and restaurant creates a synergy of activity. The project was completed in May 2003 at a total cost of \$4m and won the California Redevelopment Association's 2004 Award of Excellence for the State's best "Mixed-Use" project.

Oak Park Victorian:

In 2001, SHDC completed the renovation of a prominent 3,000 SF Victorian on Broadway. The project is home for the Jesuit Volunteer Corps Program. The total project cost was \$.5m

VII. ENGINEER'S REPORT

A. Assessment Methodology

1. Base Formula

Property owners, merchants, and other Oak Park stakeholders have emphasized that an assessment formula for the proposed PBID be fair, balanced, and commensurate with benefits received.

Each property owner will pay based on benefits received. The variables used for the annual assessment formula are based on gross parcel square footage. Parcel square footage is relevant to the highest and best use of a property, and will reflect the long-term value implications of the PBID.

Annual assessment on property throughout the proposed District is \$0.123 (12.3 cents) per parcel square foot per year in Zone 1, or \$0.041 (4.1 cents) per parcel square foot per year in Zone 2. Residential properties with 4 units or less shall not be assessed.

For example, a parcel with 5,000 square feet in Zone 1 would pay \$615 per year. ($5,000 \times 0.123 = \615.00). Please see the assessment calculation table at the end of this section. If you would like more information about property assessments, please call Downtown Resources at (916) 325-0604.

<i>Oak Park PBID Proposed Annual Assessments</i>	
<i>Rate per Lot Sq. Foot per Year Zone 1</i>	<i>Rate per Lot Sq. Foot per Year Zone 2</i>
\$0.123	\$0.041

As members of the community, the Board of Directors will maintain every effort to be careful stewards of the annual budget; however the Board may at its discretion raise the assessment by no more than 3% per year, or the annual CPI for the San Francisco-Oakland Area, whichever is less.

Bonds will not be issued.

2. Determination of Special Benefit

Determination of Special versus General Benefits

California Constitution, Article XIII D (Proposition 218), states that while assessment district programs may confer a combination of general and special benefits to properties, only the special property-related benefits can be funded through assessments.

The law provides that the expenses of the district shall be apportioned in proportion to the benefit received by each parcel. In addition, Proposition 218 requires that a parcel's assessment may not exceed the reasonable cost of the proportional special benefit conferred on that parcel. Only special benefits are

assessable, and the City must separate the general benefits from the special benefits conferred on a parcel.

A special benefit is a particular and distinct benefit over and above general benefits conferred on the public at large, including real property within the District. Conversely, a general benefit is a benefit to properties in the area and in the surrounding community or a benefit to the public in general resulting from the improvement, activity, or service to be provided by the assessment levied. Many general benefits to the public at large are conveyed by municipal services such as fire protection and public transit services. These services are targeted to serve the public at large and do not confer special benefits on particular parcels.

The services in this Management District Plan are designed to provide targeted services to the individual parcels paying the assessment. These services are tailored not to serve the general public, but rather the individual parcels of the District. For example, the proposed security program is specifically targeted to protect individual parcels in the District. The security detail shall focus on parcel specific services and shall not be utilized for the benefit of the general public.

Similarly, the proposed Maintenance program is focused on individual parcels in the District. This maintenance program includes trash removal, graffiti cleanup, and cleaning targeted at individual properties. These services will directly benefit each of the individual parcels. Additionally, the proposed Marketing programs will improve economic development within the District, by promoting the commercial parcels within the District.

The services paid for from assessment revenue are parcel services creating special benefit to the parcels. In addition, these services are not for the benefit of the general public and do not provide general benefit as defined above. The services provide special benefits, and all benefits derived from assessments outlined in the MDP, go only for services directly benefiting the property owners.

2. Government-Owned Property

In accordance with Proposition 218 all public properties are required to pay assessments unless they can demonstrate by clear and convincing evidence that their property does not receive benefit. It has been proposed that the City of Sacramento pay their “fair share” of all assessments.

3. Residential Properties

The primary purpose of the PBID is to benefit commercial properties. Residential properties with 4 units or less do not derive benefit from the proposed improvements to be assessed. The incidental benefit to residential properties with 4 units or less in the Oak Park PBID does not warrant assessing those properties. Therefore, residential properties with 4 units or less within the boundaries of the District shall not be assessed.

4. Tax-Exempt Properties

Although primary focus of the PBID is to benefit commercial properties, tax exempt properties, such as religious properties, will receive some benefit from the Oak Park PBID. However, they will not receive a benefit in the same magnitude as the commercial retail properties. Because the tax-exempt will not receive the same amount of benefit, they will pay less in assessments. These

properties will pay approximately 25% of the full assessment rate. In Zone 1 this tax exempt rate is \$0.031. per parcel square foot per year. There are no tax exempt properties in Zone 2.

5. Assessment Notice

An Assessment Notice will be sent to owners of each property in the PBID. The Assessment Notice provides an estimated assessment based upon the parcel square footage of each individual property. The final individual assessment for any particular property may change, up or down, if the parcel square footage differs from those found on the Assessment Notice. A list of properties to be assessed in the Oak Park PBID are included in the Engineer's Report.

B. Time and Manner for Collecting Assessments

As provided by State Law, the Oak Park assessment will appear as a separate line item on annual property tax bills prepared by the County of Sacramento. Property tax bills are generally distributed in the fall, and payment is expected by lump sum or installment. The County of Sacramento shall distribute Oak Park PBID funds collected to the City of Sacramento and then to the non-profit corporation managing the PBID pursuant to the authorization of this Plan. Existing laws for enforcement and appeal of property taxes apply to the PBID assessments.

Review of this Oak Park Management District Plan and preparation of the Engineers Report was completed by:

Orin N. Bennett
State of California
Registered Civil Engineer No. 25169

**Oak Park Property and Business Improvement District
Assessment Calculation Table**

APN	PARCEL SQUARE FOOTAGE	ASSESSMENT RATE	ZONE	ASSESSMENT	
010-0301-009-0000	35,340.00	0.031	1	\$1,095.54	*
010-0301-014-0000	28,223.00	0.031	1	\$874.91	*
010-0306-008-0000	15,360.00	0.031	1	\$476.16	*
010-0306-009-0000	6,534.00	0.031	1	\$202.55	*
010-0306-011-0000	36,000.00	0.031	1	\$1,116.00	*
010-0306-013-0000	19,341.00	0.031	1	\$599.57	*
010-0307-001-0000	4,792.00	0.031	1	\$148.55	*
010-0373-017-0000	48,000.00	0.031	1	\$1,488.00	*
010-0374-006-0000	6,000.00	0.031	1	\$186.00	*
010-0374-007-0000	18,000.00	0.031	1	\$558.00	*
010-0374-008-0000	4,400.00	0.031	1	\$136.40	*
010-0374-009-0000	7,600.00	0.031	1	\$235.60	*
010-0377-001-0000	6,000.00	0.031	1	\$186.00	*
010-0381-007-0000	6,000.00	0.031	1	\$186.00	*
010-0381-008-0000	6,000.00	0.031	1	\$186.00	*
010-0381-011-0000	6,000.00	0.031	1	\$186.00	*
010-0381-019-0000	12,000.00	0.031	1	\$372.00	*
013-0141-014-0000	14,619.00	0.031	1	\$453.19	*
013-0152-001-0000	40,058.00	0.031	1	\$1,241.80	*
013-0153-014-0000	10,632.60	0.031	1	\$329.61	*
013-0153-049-0000	6,534.00	0.031	1	\$202.55	*
013-0251-005-0000	5,000.00	0.031	1	\$155.00	*
013-0251-009-0000	5,000.00	0.031	1	\$155.00	*
013-0251-027-0000	15,000.00	0.031	1	\$465.00	*
013-0251-028-0000	20,000.00	0.031	1	\$620.00	*
013-0153-017-0000	1,480.00	0.031	1	\$45.88	*
013-0143-039-0000	3,000.00	0.031	1	\$93.00	*
010-0376-002-0000	4,000.00	0.123	1	\$492.00	
010-0377-003-0000	6,000.00	0.123	1	\$738.00	
010-0377-017-0000	12,013.00	0.123	1	\$1,477.60	
010-0377-018-0000	23,086.80	0.123	1	\$2,839.68	
013-0153-013-0000	4,792.00	0.123	1	\$589.42	
010-0251-020-0000	10,410.00	0.123	1	\$1,280.43	
010-0252-008-0000	25,510.00	0.123	1	\$3,137.73	
010-0252-019-0000	11,326.00	0.123	1	\$1,393.10	
010-0252-020-0000	12,800.00	0.123	1	\$1,574.40	

**Oak Park Property and Business Improvement District
Assessment Calculation Table**

010-0254-020-0000	22,365.00	0.123	1	\$2,750.90	
010-0255-001-0000	6,970.00	0.123	1	\$857.31	
010-0255-002-0000	6,970.00	0.123	1	\$857.31	
010-0255-003-0000	6,970.00	0.123	1	\$857.31	
010-0255-016-0000	26,800.00	0.123	1	\$3,296.40	
010-0303-003-0000	4,180.00	0.123	1	\$514.14	
010-0303-004-0000	7,130.00	0.123	1	\$876.99	
010-0303-005-0000	5,460.00	0.123	1	\$671.58	
010-0304-002-0000	5,663.00	0.123	1	\$696.55	
010-0304-003-0000	11,326.00	0.123	1	\$1,393.10	
010-0304-009-0000	8,760.00	0.123	1	\$1,077.48	
010-0304-011-0000	15,660.00	0.123	1	\$1,926.18	
010-0308-001-0000	6,000.00	0.123	1	\$738.00	
010-0308-002-0000	5,280.00	0.123	1	\$649.44	
010-0308-003-0000	4,020.00	0.123	1	\$494.46	
010-0308-004-0000	2,840.00	0.123	1	\$349.32	
010-0308-005-0000	1,742.00	0.123	1	\$214.27	
010-0308-006-0000	4,356.00	0.123	1	\$535.79	
010-0308-014-0000	125.00	0.123	1	\$15.38	
010-0308-015-0000	5,750.00	0.123	1	\$707.25	
010-0312-001-0000	13,504.00	0.123	1	\$1,660.99	
010-0312-007-0000	2,840.00	0.123	1	\$349.32	
010-0312-014-0000	66,647.00	0.123	1	\$8,197.58	
010-0313-001-0000	2,021.00	0.123	1	\$248.58	
010-0315-001-0000	3,360.00	0.123	1	\$413.28	
010-0315-002-0000	8,640.00	0.123	1	\$1,062.72	
010-0315-011-0000	6,000.00	0.123	1	\$738.00	
010-0315-012-0000	6,000.00	0.123	1	\$738.00	
010-0315-014-0000	6,000.00	0.123	1	\$738.00	
010-0315-015-0000	6,000.00	0.123	1	\$738.00	
010-0315-016-0000	6,000.00	0.123	1	\$738.00	
010-0315-017-0000	6,000.00	0.123	1	\$738.00	
010-0315-018-0000	6,000.00	0.123	1	\$738.00	
010-0322-017-0000	6,000.00	0.123	1	\$738.00	
010-0322-018-0000	6,000.00	0.123	1	\$738.00	
010-0322-019-0000	6,000.00	0.123	1	\$738.00	
010-0322-021-0000	5,600.00	0.123	1	\$688.80	
010-0322-022-0000	2,614.00	0.123	1	\$321.52	
010-0322-024-0000	7,700.00	0.123	1	\$947.10	

**Oak Park Property and Business Improvement District
Assessment Calculation Table**

010-0373-002-0000	2,000.00	0.123	1	\$246.00	
010-0373-003-0000	6,000.00	0.123	1	\$738.00	
010-0373-004-0000	6,000.00	0.123	1	\$738.00	
010-0373-008-0000	4,792.00	0.123	1	\$589.42	
010-0373-018-0000	9,583.00	0.123	1	\$1,178.71	
010-0375-001-0000	12,180.00	0.123	1	\$1,498.14	
010-0375-002-0000	3,000.00	0.123	1	\$369.00	
010-0375-003-0000	3,000.00	0.123	1	\$369.00	
010-0375-004-0000	6,000.00	0.123	1	\$738.00	
010-0375-005-0000	6,000.00	0.123	1	\$738.00	
010-0375-006-0000	6,000.00	0.123	1	\$738.00	
010-0375-008-0000	8,385.00	0.123	1	\$1,031.36	
010-0375-009-0000	3,000.00	0.123	1	\$369.00	
010-0375-010-0000	3,000.00	0.123	1	\$369.00	
010-0376-001-0000	4,290.00	0.123	1	\$527.67	
010-0376-005-0000	6,000.00	0.123	1	\$738.00	
010-0377-002-0000	6,000.00	0.123	1	\$738.00	
010-0377-011-0000	6,000.00	0.123	1	\$738.00	
010-0381-001-0000	9,148.00	0.123	1	\$1,125.20	
010-0381-012-0000	6,000.00	0.123	1	\$738.00	
010-0381-013-0000	6,000.00	0.123	1	\$738.00	
010-0381-015-0000	3,000.00	0.123	1	\$369.00	
010-0381-016-0000	3,000.00	0.123	1	\$369.00	
010-0381-017-0000	3,000.00	0.123	1	\$369.00	
010-0381-018-0000	3,000.00	0.123	1	\$369.00	
010-0382-001-0000	5,663.00	0.123	1	\$696.55	
010-0382-002-0000	4,000.00	0.123	1	\$492.00	
010-0382-003-0000	5,000.00	0.123	1	\$615.00	
010-0382-004-0000	6,376.00	0.123	1	\$784.25	
010-0382-005-0000	4,963.20	0.123	1	\$610.47	
010-0382-006-0000	2,178.00	0.123	1	\$267.89	
010-0383-003-0000	5,096.00	0.123	1	\$626.81	
010-0383-004-0000	3,876.00	0.123	1	\$476.75	
010-0383-005-0000	4,289.00	0.123	1	\$527.55	
010-0383-012-0000	11,761.20	0.123	1	\$1,446.63	
010-0383-013-0000	10,200.00	0.123	1	\$1,254.60	
010-0385-005-0000	6,098.00	0.123	1	\$750.05	
010-0385-012-0000	6,000.00	0.123	1	\$738.00	
010-0385-014-0000	9,000.00	0.123	1	\$1,107.00	

**Oak Park Property and Business Improvement District
Assessment Calculation Table**

010-0385-015-0000	4,720.00	0.123	1	\$580.56	
013-0141-004-0000	6,400.00	0.123	1	\$787.20	
013-0141-005-0000	5,600.00	0.123	1	\$688.80	
013-0141-006-0000	7,052.00	0.123	1	\$867.40	
013-0141-007-0000	5,558.00	0.123	1	\$683.63	
013-0141-008-0000	3,272.00	0.123	1	\$402.46	
013-0141-009-0000	6,056.20	0.123	1	\$744.91	
013-0141-010-0000	5,524.20	0.123	1	\$679.48	
013-0142-011-0000	3,049.00	0.123	1	\$375.03	
013-0142-037-0000	66,211.20	0.123	1	\$8,143.98	
013-0142-038-0000	9,000.00	0.123	1	\$1,107.00	
013-0142-041-0000	6,000.00	0.123	1	\$738.00	
013-0143-004-0000	2,800.00	0.123	1	\$344.40	
013-0143-008-0000	6,000.00	0.123	1	\$738.00	
013-0143-030-0000	1,500.00	0.123	1	\$184.50	
013-0143-031-0000	12,000.00	0.123	1	\$1,476.00	
013-0143-032-0000	6,000.00	0.123	1	\$738.00	
013-0143-038-0000	113,265.00	0.123	1	\$13,931.60	
013-0151-003-0000	2,617.00	0.123	1	\$321.89	
013-0151-005-0000	12,090.00	0.123	1	\$1,487.07	
013-0152-006-0000	9,600.00	0.123	1	\$1,180.80	
013-0152-007-0000	7,817.48	0.123	1	\$961.55	
013-0153-001-0000	3,200.00	0.123	1	\$393.60	
013-0153-028-0000	4,792.00	0.123	1	\$589.42	
013-0153-040-0000	1.00	0.123	1	\$0.12	
013-0153-041-0000	4,789.00	0.123	1	\$589.05	
013-0153-048-0000	19,200.00	0.123	1	\$2,361.60	
013-0153-050-0000	10,454.00	0.123	1	\$1,285.84	
013-0154-031-0000	6,587.00	0.123	1	\$810.20	
013-0154-033-0000	9,960.00	0.123	1	\$1,225.08	
013-0251-002-0000	9,125.00	0.123	1	\$1,122.38	
014-0131-024-0000	12,367.00	0.123	1	\$1,521.14	
014-0131-027-0000	9,148.00	0.123	1	\$1,125.20	
014-0131-031-0000	5,663.00	0.123	1	\$696.55	
014-0171-001-0000	16,270.00	0.123	1	\$2,001.21	
013-0133-020-0000	3,811.70	0.041	2	\$156.28	
013-0133-025-0000	71,002.80	0.041	2	\$2,911.11	
013-0136-001-0000	3,354.00	0.041	2	\$137.51	
013-0136-005-0000	2,500.00	0.041	2	\$102.50	

**Oak Park Property and Business Improvement District
Assessment Calculation Table**

013-0136-015-0000	210,830.40	0.041	2	\$8,644.05	
013-0141-013-0000	15,820.00	0.041	2	\$648.62	
013-0142-012-0000	9,000.00	0.041	2	\$369.00	
013-0142-013-0000	13,500.00	0.041	2	\$553.50	
013-0142-039-0000	15,784.00	0.041	2	\$647.14	
013-0142-040-0000	9,770.00	0.041	2	\$400.57	
013-0243-011-0000	4,387.72	0.041	2	\$179.90	
013-0243-012-0000	3,571.40	0.041	2	\$146.43	
013-0243-013-0000	4,387.72	0.041	2	\$179.90	
013-0243-033-0000	4,356.00	0.041	2	\$178.60	
013-0243-035-0000	4,369.00	0.041	2	\$179.13	
013-0243-037-0000	42,112.00	0.041	2	\$1,726.59	
013-0243-042-0000	115,434.00	0.041	2	\$4,732.79	
013-0244-025-0000	175,546.80	0.041	2	\$7,197.42	
013-0244-026-0000	7,980.00	0.041	2	\$327.18	
013-0251-001-0000	662,199.12	0.041	2	\$27,150.16	
013-0283-048-0000	46,173.60	0.041	2	\$1,893.12	
013-0291-030-0000	37,347.00	0.041	2	\$1,531.23	
013-0292-003-0000	6,419.00	0.041	2	\$263.18	

* Tax exempt properties in Zone 1 will pay approximately 25% of the full assessment rate. The tax exempt rate for Zone 1 is \$0.031 per parcel square foot. There are no tax exempt properties in Zone 2.

VIII. PBID GOVERNANCE

A. Oak Park PBID Corporation Governance

The Oak Park Business Association, non-profit corporation, shall be charged with the day-to-day operations of the PBID. A majority of the members of the Board of Directors of the corporation shall be private commercial property owners who are paying assessments into the PBID. The Board of Directors shall also have representation from public agencies that are paying into the District as well as commercial tenants, and an at large community representative.

**APPENDIX 1 – THE PROPERTY AND BUSINESS IMPROVEMENT
DISTRICT LAW OF 1994**

**STREETS AND HIGHWAYS CODE
SECTION 36600-36604**

Amended January 1, 2009

Declarations

36600. This part shall be known and may be cited as the "Property and Business Improvement District Law of 1994."

36601. The Legislature finds and declares all of the following:

(a) Businesses located and operating within the business districts of this state's communities are economically disadvantaged, are underutilized, and are unable to attract customers due to inadequate facilities, services, and activities in the business districts.

(b) It is in the public interest to promote the economic revitalization and physical maintenance of the business districts of its cities in order to create jobs, attract new businesses, and prevent the erosion of the business districts.

(c) It is of particular local benefit to allow cities to fund business related improvements, maintenance, and activities through the levy of assessments upon the businesses or real property that benefits from those improvements.

(d) Assessments levied for the purpose of providing improvements and promoting activities that benefit real property or businesses are not taxes for the general benefit of a city, but are assessments for the improvements and activities which confer special benefits upon the real property or businesses for which the improvements and activities are provided.

36602. The purpose of this part is to supplement previously enacted provisions of law that authorize cities to levy assessments within a business improvement area. This part does not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes.

36603. Nothing in this part is intended to preempt the authority of a charter city to adopt ordinances providing for a different method of levying assessments for similar or additional purposes from those set forth in this part. A property and business improvement district created pursuant to this part is expressly exempt from the provisions of the Special Assessment Investigation, Limitation and Majority Protest Act of 1931 (Division 4 (commencing with Section 2800)).

36603.5. Any provision in this part that conflicts with any other provision of law shall prevail over the other provision of law.

36604. This part is intended to be construed liberally and, if any provision is held invalid, the remaining provisions shall remain in full force and effect. Assessments levied under this part are not special taxes.

Definitions

36606. "Assessment" means a levy for the purpose of acquiring, constructing, installing, or maintaining improvements and promoting activities which will benefit the properties or businesses located within a property and business improvement district.

36607. "Business" means all types of businesses and includes financial institutions and professions.

36608. "City" means a city, county, city and county, or an agency or entity created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code, the public member agencies of which includes only cities, counties, or a city and county.

36609. "City council" means the city council of a city or the board of supervisors of a county, or the agency, commission, or board created pursuant to a joint powers agreement and which is a city within the meaning of this part.

36610. "Improvement" means the acquisition, construction, installation, or maintenance of any tangible property with an estimated useful life of five years or more including, but not limited to, the following:

- (a) Parking facilities.
- (b) Benches, booths, kiosks, display cases, pedestrian shelters and signs.
- (c) Trash receptacles and public restrooms.
- (d) Lighting and heating facilities.
- (e) Decorations.
- (f) Parks.
- (g) Fountains.
- (h) Planting areas.
- (i) Closing, opening, widening, or narrowing of existing streets.
- (j) Facilities or equipment, or both, to enhance security of persons and property within the area.
- (k) Ramps, sidewalks, plazas, and pedestrian malls.
- (l) Rehabilitation or removal of existing structures.

36611. "Property and business improvement district," or "district," means a property and business improvement district established pursuant to this part.

36612. "Property" means real property situated within a district.

36613. "Activities" means, but is not limited to, all of the following:

- (a) Promotion of public events which benefit businesses or real property in the district.
- (b) Furnishing of music in any public place within the district.
- (c) Promotion of tourism within the district.
- (d) Marketing and economic development, including retail retention and recruitment.
- (e) Providing security, sanitation, graffiti removal, street and sidewalk cleaning, and other municipal services supplemental to those normally provided by the municipality.
- (f) Activities which benefit businesses and real property located in the district.

36614. "Management district plan" or "plan" means a proposal as defined in Section 36622.

36614.5. "Owners' association" means a private nonprofit entity that is under contract with a city to administer or implement activities and improvements specified in the management district plan. An owners' association may be an existing nonprofit entity or a newly formed nonprofit entity. An owners' association is a private entity and may not be considered a public entity for any purpose, nor may its board members or staff be considered to be public officials for any purpose. Notwithstanding this section, an owners' association shall comply with the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5 of the Government Code), at all times when matters within the subject matter of the district are heard, discussed, or deliberated, and with the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code), for all documents relating to activities of the district.

36615. "Property owner" or "owner" means any person shown as the owner of land on the last equalized assessment roll or otherwise known to be the owner of land by the city council. The city council has no obligation to obtain other information as to the ownership of land, and its determination of ownership shall be final and conclusive for the purposes of this part. Wherever this subdivision requires the signature of the property owner, the signature of the authorized agent of the property owner shall be sufficient.

36616. "Tenant" means an occupant pursuant to a lease of commercial space or a dwelling unit, other than an owner.

Prior Law

36617. This part provides an alternative method of financing certain improvements and activities. The provisions of this part shall not affect or limit any other provisions of law authorizing or providing for the furnishing of improvements or activities or the raising of revenue for these purposes. Every improvement area established pursuant to the Parking and

Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500) of this division) is valid and effective and is unaffected by this part .

Establishment

36620. A property and business improvement district may be established as provided in this chapter.

36620.5. A county may not form a district within the territorial jurisdiction of a city without the consent of the city council of that city. A city may not form a district within the unincorporated territory of a county without the consent of the board of supervisors of that county. A city may not form a district within the territorial jurisdiction of another city without the consent of the city council of the other city.

36621. (a) Upon the submission of a written petition, signed by the property or business owners in the proposed district who will pay more than 50 percent of the assessments proposed to be levied, the city council may initiate proceedings to form a district by the adoption of a resolution expressing its intention to form a district. The amount of assessment attributable to property or a business owned by the same property or business owner that is in excess of 40 percent of the amount of all assessments proposed to be levied, shall not be included in determining whether the petition is signed by property or business owners who will pay more than 50 percent of the total amount of assessments proposed to be levied. (b) The petition of property or business owners required under subdivision (a) shall include a summary of the management district plan. That summary shall include all of the following:

- (1) A map showing the boundaries of the district.
- (2) Information specifying where the complete management district plan can be obtained.
- (3) Information specifying that the complete management district plan shall be furnished upon request. (c) The resolution of intention described in subdivision (a) shall contain all of the following:

(1) A brief description of the proposed activities and improvements, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property or businesses within the district, a statement as to whether bonds will be issued, and a description of the exterior boundaries of the proposed district. The descriptions and statements do not need to be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements and activities and the location and extent of the proposed district.

(2) A time and place for a public hearing on the establishment of the property and business improvement district and the levy of assessments, which shall be consistent with the requirements of Section 36623.

36622. The management district plan shall contain all of the following:

- (a) A map of the district in sufficient detail to locate each parcel of property and, if businesses are to be assessed, each business within the district.
- (b) The name of the proposed district.

- (c) A description of the boundaries of the district, including the boundaries of benefit zones, proposed for establishment or extension in a manner sufficient to identify the affected lands and businesses included. The boundaries of a proposed property assessment district shall not overlap with the boundaries of another existing property assessment district created pursuant to this part. This part does not prohibit the boundaries of a district created pursuant to this part to overlap with other assessment districts established pursuant to other provisions of law, including, but not limited to, the Parking and Business Improvement Area Law of 1989 (Part 6 (commencing with Section 36500)). This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with another business assessment district created pursuant to this part. This part does not prohibit the boundaries of a business assessment district created pursuant to this part to overlap with a property assessment district created pursuant to this part.
- (d) The improvements and activities proposed for each year of operation of the district and the maximum cost thereof.
- (e) The total annual amount proposed to be expended for improvements, maintenance and operations, and debt service in each year of operation of the district.
- (f) The proposed source or sources of financing, including the proposed method and basis of levying the assessment in sufficient detail to allow each property or business owner to calculate the amount of the assessment to be levied against his or her property or business. The plan also shall state whether bonds will be issued to finance improvements.
- (g) The time and manner of collecting the assessments.
- (h) The specific number of years in which assessments will be levied. In a new district, the maximum number of years shall be five. Upon renewal, a district shall have a term not to exceed 10 years. Notwithstanding these limitations, a district created pursuant to this part to finance capital improvements with bonds may levy assessments until the maximum maturity of the bonds. The management district plan may set forth specific increases in assessments for each year of operation of the district.
- (i) The proposed time for implementation and completion of the management district plan.
- (j) Any proposed rules and regulations to be applicable to the district.
- (k) A list of the properties or businesses to be assessed, including the assessor's parcel numbers for properties to be assessed, and a statement of the method or methods by which the expenses of a district will be imposed upon benefited real property or businesses, in proportion to the benefit received by the property or business, to defray the cost thereof, including operation and maintenance. The plan may provide that all or any class or category of real property which is exempt by law from real property taxation may nevertheless be included within the boundaries of the district but shall not be subject to assessment on real property.
- (l) Any other item or matter required to be incorporated therein by the city council.

36623.(a) If a city council proposes to levy a new or increased property assessment, the notice and protest and hearing procedure shall comply with Section 53753 of the Government Code.

(b) If a city council proposes to levy a new or increased business assessment, the notice and protest and hearing procedure shall comply with Section 54954.6 of the Government Code, except that notice shall be mailed to the owners of the businesses proposed to be assessed. A protest may be made orally or in writing by any interested person. Every written protest shall be filed with the clerk at or before the time fixed for the public hearing. The city council may waive

any irregularity in the form or content of any written protest. A written protest may be withdrawn in writing at any time before the conclusion of the public hearing. Each written protest shall contain a description of the business in which the person subscribing the protest is interested sufficient to identify the business and, if a person subscribing is not shown on the official records of the city as the owner of the business, the protest shall contain or be accompanied by written evidence that the person subscribing is the owner of the business. A written protest which does not comply with this section shall not be counted in determining a majority protest. If written protests are received from the owners of businesses in the proposed district which will pay 50 percent or more of the assessments proposed to be levied and protests are not withdrawn so as to reduce the protests to less than 50 percent, no further proceedings to levy the proposed assessment against such businesses, as contained in the resolution of intention, shall be taken for a period of one year from the date of the finding of a majority protest by the city council.

36624. At the conclusion of the public hearing to establish the district, the city council may adopt, revise, change, reduce, or modify the proposed assessment or the type or types of improvements and activities to be funded with the revenues from the assessments. Proposed assessments may only be revised by reducing any or all of them. At the public hearing, the city council may only make changes in, to, or from the boundaries of the proposed property and business improvement district that will exclude territory that will not benefit from the proposed improvements or activities. Any modifications, revisions, reductions, or changes to the proposed assessment district shall be reflected in the notice and map recorded pursuant to Section 36627.

36625. (a) If the city council, following the public hearing, decides to establish the proposed property and business improvement district, the city council shall adopt a resolution of formation that shall contain all of the following:

(1) A brief description of the proposed activities and improvements, the amount of the proposed assessment, a statement as to whether the assessment will be levied on property or businesses within the district, a statement about whether bonds will be issued, and a description of the exterior boundaries of the proposed district. The descriptions and statements do not need to be detailed and shall be sufficient if they enable an owner to generally identify the nature and extent of the improvements and activities and the location and extent of the proposed district.

(2) The number, date of adoption, and title of the resolution of intention.

(3) The time and place where the public hearing was held concerning the establishment of the district.

(4) A determination regarding any protests received. The city shall not establish the district or levy assessments if a majority protest was received.

(5) A statement that the properties or businesses in the district established by the resolution shall be subject to any amendments to this part.

(6) A statement that the improvements and activities to be provided in the district will be funded by the levy of the assessments. The revenue from the levy of assessments within a district shall not be used to provide improvements or activities outside the district or for any purpose other

than the purposes specified in the resolution of intention, as modified by the city council at the hearing concerning establishment of the district.

(7) A finding that the property or businesses within the area of the property and business improvement district will be benefited by the improvements and activities funded by the assessments proposed to be levied. (b) The adoption of the resolution of formation and recordation of the notice and map pursuant to Section 36627 shall constitute the levy of an assessment in each of the fiscal years referred to in the management district plan.

36626. If the city council, following the public hearing, desires to establish the proposed property and business improvement district, and the city council has not made changes pursuant to Section 36624, or has made changes that do not substantially change the proposed assessment, the city council shall adopt a resolution establishing the district. The resolution shall contain all of the information specified in paragraphs (1) to (8), inclusive, of subdivision (b) of Section 36625, but need not contain information about the preliminary resolution if none has been adopted.

36627. Following adoption of the resolution establishing the district pursuant to Section 36625 or 36626, the clerk of the city shall record a notice and an assessment diagram pursuant to Section 3114. If the assessment is levied on businesses, the text of the recorded notice shall be modified to reflect that the assessment will be levied on businesses, or specified categories of businesses, within the area of the district. No other provision of Division 4.5 (commencing with Section 3100) applies to an assessment district created pursuant to this part.

36628. The city council may establish one or more separate benefit zones within the district based upon the degree of benefit derived from the improvements or activities to be provided within the benefit zone and may impose a different assessment within each benefit zone. If the assessment is to be levied on businesses, the city council may also define categories of businesses based upon the degree of benefit that each will derive from the improvements or activities to be provided within the district and may impose a different assessment or rate of assessment on each category of business, or on each category of business within each zone.

36628.5. The city council may levy assessments on businesses or on property owners, or a combination of the two, pursuant to this part. The city council shall structure the assessments in whatever manner it determines corresponds with the distribution of benefits from the proposed improvements and activities.

36629. All provisions of this part applicable to the establishment, modification, or disestablishment of a property and business improvement district apply to the establishment, modification, or disestablishment of benefit zones or categories of business. The city council shall, to establish, modify, or disestablish a benefit zone or category of business, follow the procedure to establish, modify, or disestablish a parking and business improvement area.

36630. If a property and business improvement district expires due to the time limit set pursuant to subdivision (h) of Section 36622, a new management district plan may be created and a new district established pursuant to this part.

Assessments

36631. The collection of the assessments levied pursuant to this part shall be made at the time and in the manner set forth by the city council in the resolution establishing the management district plan described in Section 36622. Assessments levied on real property may be collected at the same time and in the same manner as for the ad valorem property tax, and may provide for the same lien priority and penalties for delinquent payment. All delinquent payments for assessments levied pursuant to this part shall be charged interest and penalties.

36632. (a) The assessments levied on real property pursuant to this part shall be levied on the basis of the estimated benefit to the real property within the property and business improvement district. The city council may classify properties for purposes of determining the benefit to property of the improvements and activities provided pursuant to this part. **(b)** Assessments levied on businesses pursuant to this part shall be levied on the basis of the estimated benefit to the businesses within the property and business improvement district. The city council may classify businesses for purposes of determining the benefit to the businesses of the improvements and activities provided pursuant to this part. **(c)** Properties zoned solely for residential use, or that are zoned for agricultural use, are conclusively presumed not to benefit from the improvements and service funded through these assessments, and shall not be subject to any assessment pursuant to this part.

36633. The validity of an assessment levied under this part shall not be contested in any action or proceeding unless the action or proceeding is commenced within 30 days after the resolution levying the assessment is adopted pursuant to Section 36626. Any appeal from a final judgment in an action or proceeding shall be perfected within 30 days after the entry of judgment.

36634. The city council may execute baseline service contracts that would establish levels of city services that would continue after a property and business improvement district has been formed.

36635. The owners' association may, at any time, request that the city council modify the management district plan. Any modification of the management district plan shall be made pursuant to this chapter.

36636. (a) Upon the written request of the owners' association, the city council may modify the management district plan after conducting one public hearing on the proposed modifications. The city council may modify the improvements and activities to be funded with the revenue derived from the levy of the assessments by adopting a resolution determining to make the modifications after holding a public hearing on the proposed modifications. If the modification includes the levy of a new or increased assessment, the city council shall comply with Section

36623. Notice of all other public meetings and public hearings pursuant to this section shall comply with both of the following:

(1) The resolution of intention shall be published in a newspaper of general circulation in the city once at least seven days before the public meeting.

(2) A complete copy of the resolution of intention shall be mailed by first class mail, at least 10 days before the public meeting, to each business owner or property owner affected by the proposed modification. (b) The city council shall adopt a resolution of intention which states the proposed modification prior to the public hearing required by this section. The public hearing shall be held not more than 90 days after the adoption of the resolution of intention.

36637. Any subsequent modification of the resolution shall be reflected in subsequent notices and maps recorded pursuant to Division 4.5 (commencing with Section 3100), in a manner consistent with the provisions of Section 36627.

Financing

36640. (a) The city council may, by resolution, determine and declare that bonds shall be issued to finance the estimated cost of some or all of the proposed improvements described in the resolution of formation adopted pursuant to Section 36625, if the resolution of formation adopted pursuant to that section provides for the issuance of bonds, under the Improvement Bond Act of 1915 (Division 10 (commencing with Section 8500)) or in conjunction with Marks-Roos Local Bond Pooling Act of 1985 (Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code). Either act, as the case may be, shall govern the proceedings relating to the issuance of bonds, although proceedings under the Bond Act of 1915 may be modified by the city council as necessary to accommodate assessments levied upon business pursuant to this part. (b) The resolution adopted pursuant to subdivision (a) shall generally describe the proposed improvements specified in the resolution of formation adopted pursuant to Section 36625, set forth the estimated cost of those improvements, specify the number of annual installments and the fiscal years during which they are to be collected. The amount of debt service to retire the bonds shall not exceed the amount of revenue estimated to be raised from assessments over 30 years. (c) Notwithstanding any other provision of this part, assessments levied to pay the principal and interest on any bond issued pursuant to this section shall not be reduced or terminated if doing so would interfere with the timely retirement of the debt.

Governance

36650. (a) The owners' association shall cause to be prepared a report for each fiscal year, except the first year, for which assessments are to be levied and collected to pay the costs of the improvements and activities described in the report. The owners' association's first report shall be due after the first year of operation of the district. The report may propose changes, including, but not limited to, the boundaries of the property and business improvement district or

any benefit zones within the district, the basis and method of levying the assessments, and any changes in the classification of property, including any categories of business, if a classification is used. (b) The report shall be filed with the clerk and shall refer to the property and business improvement district by name, specify the fiscal year to which the report applies, and, with respect to that fiscal year, shall contain all of the following information:

(1) Any proposed changes in the boundaries of the property and business improvement district or in any benefit zones or classification of property or businesses within the district.

(2) The improvements and activities to be provided for that fiscal year.

(3) An estimate of the cost of providing the improvements and the activities for that fiscal year.

(4) The method and basis of levying the assessment in sufficient detail to allow each real property or business owner, as appropriate, to estimate the amount of the assessment to be levied against his or her property or business for that fiscal year.

(5) The amount of any surplus or deficit revenues to be carried over from a previous fiscal year.

(6) The amount of any contributions to be made from sources other than assessments levied pursuant to this part. (c) The city council may approve the report as filed by the owners' association or may modify any particular contained in the report and approve it as modified.

Any modification shall be made pursuant to Sections 36635 and 36636. The city council shall not approve a change in the basis and method of levying assessments that would impair an authorized or executed contract to be paid from the revenues derived from the levy of assessments, including any commitment to pay principal and interest on any bonds issued on behalf of the district.

36651. The management district plan may, but is not required to, state that an owners' association will provide the improvements or activities described in the management district plan. If the management district plan designates an owners' association, the city shall contract with the designated nonprofit corporation to provide services.

36660. (a) Any district previously established whose term has expired, may be renewed by following the procedures for establishment as provided in this chapter. (b) Upon renewal, any remaining revenues derived from the levy of assessments, or any revenues derived from the sale of assets acquired with the revenues, shall be transferred to the renewed district. If the renewed district includes additional parcels or businesses not included in the prior district, the remaining revenues shall be spent to benefit only the parcels or businesses in the prior district. If the renewed district does not include parcels or businesses included in the prior district, the remaining revenues attributable to these parcels shall be refunded to the owners of these parcels or businesses. (c) Upon renewal, a district shall have a term not to exceed 10 years, or, if the district is authorized to issue bonds, until the maximum maturity of those bonds. There is no requirement that the boundaries, assessments, improvements, or activities of a renewed district be the same as the original or prior district.

Disestablishment

36670. (a) Any district established or extended pursuant to the provisions of this part, where there is no indebtedness, outstanding and unpaid, incurred to accomplish any of the purposes of the district, may be disestablished by resolution by the city council in either of the following circumstances:

(1) If the city council finds there has been misappropriation of funds, malfeasance, or a violation of law in connection with the management of the district, it shall notice a hearing on disestablishment.

(2) During the operation of the district, there shall be a 30-day period each year in which assesses may request disestablishment of the district. The first such period shall begin one year after the date of establishment of the district and shall continue for 30 days. The next such 30-day period shall begin two years after the date of the establishment of the district. Each successive year of operation of the district shall have such a 30-day period. Upon the written petition of the owners of real property or of businesses in the area who pay 50 percent or more of the assessments levied, the city council shall pass a resolution of intention to disestablish the district. The city council shall notice a hearing on disestablishment. (b) The city council shall adopt a resolution of intention to disestablish the district prior to the public hearing required by this section. The resolution shall state the reason for the disestablishment, shall state the time and place of the public hearing, and shall contain a proposal to dispose of any assets acquired with the revenues of the assessments levied within the property and business improvement district. The notice of the hearing on disestablishment required by this section shall be given by mail to the property owner of each parcel or to the owner of each business subject to assessment in the district, as appropriate. The city shall conduct the public hearing not less than 30 days after mailing the notice to the property or business owners. The public hearing shall be held not more than 60 days after the adoption of the resolution of intention.

36671. (a) Upon the disestablishment of a district, any remaining revenues, after all outstanding debts are paid, derived from the levy of assessments, or derived from the sale of assets acquired with the revenues, or from bond reserve or construction funds, shall be refunded to the owners of the property or businesses then located and operating within the district in which assessments were levied by applying the same method and basis that was used to calculate the assessments levied in the fiscal year in which the district is disestablished. All outstanding assessment revenue collected after disestablishment shall be spent on improvements and activities specified in the management district plan. (b) If the disestablishment occurs before an assessment is levied for the fiscal year, the method and basis that was used to calculate the assessments levied in the immediate prior fiscal year shall be used to calculate the amount of any refund.