



REPORT TO COUNCIL City of Sacramento

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

CONSENT
June 16, 2009

Honorable Mayor and
Members of the City Council

Title: North Franklin Property and Business Improvement District – Annual Proceedings FY2009/10

Location/Council District: The North Franklin Property and Business Improvement District (PBID) is located in Council District 5 within the North Franklin Commercial Corridor and is comprised of approximately 137 individual parcels.

Recommendation: Adopt a **Resolution** adopting the North Franklin 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: Finance Department

Division: Public Improvement Financing

Organization No: 06001321

Description/Analysis

Issue: The PBID Area Law of 1994 requires the District to present an annual budget for City Council approval. Approval of the District's annual budget will authorize the City to collect assessments in the amount sufficient to provide funding for security coordination and advocacy, maintenance and image enhancement program within the North Franklin PBID.

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 Goals 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.

Sustainability Considerations: There are no sustainability considerations applicable to the formation process or administration of a special district.

Committee/Commission Action: None

Rationale for Recommendation: The actions in the recommended Resolution 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 the levy of assessments upon real property that benefits from improvements and activities. The PBID does not plan to issue bonds. The City of Sacramento participates as a property owner in the district. City owned property will have a total annual assessment of approximately \$3,300. Funding to pay for City Assessments are included in the annual budget.

The PBID assessment budget for FY2009/10 is \$106,000 (Exhibit B, page 8). The North Franklin PBID will receive an approximate total of \$99,461. The remaining \$6,539 will be retained by the City to cover City administrative costs.

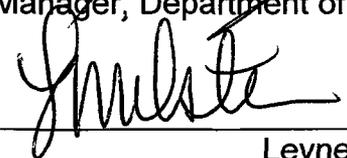
Program	Budget	% of Total
Security Coordination Advocacy & Administration	\$52,500	49.5%
Maintenance	\$40,500	38.2%
Image Enhancement	\$5,500	5.2%
Contingency	\$5,000	4.7%
Administrative Fees	\$2,500	2.4%
Total	\$106,000	100%

Annual assessment rates are based on an allocation of program costs and a calculation of parcel square footage plus parcel front footage along Franklin Boulevard. Assessment rates may be subject to an increase by no more than 3% per year or the Consumer Price Index (CPI), whichever is less.

Formal amendment to the City's FY2009/10 Budget 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, Department of Finance

Approved by: 
Leyne Milstein
Director, Finance Department

Recommendation Approved:


Ray Kerridge
City Manager

for

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Attachment 1

BACKGROUND

The North Franklin PBID, formerly known as the Franklin Boulevard PBID, was approved by City Council on August 17, 2004, in accordance with the Property and Business Improvement District Law of 1994. The District was renewed for five more years on July 24, 2007 and became effective on January 1, 2008.

The district will continue to provide funding for the North Franklin PBID for the following services within the North Franklin commercial corridor:

- Security Coordination and Advocacy
- Maintenance
- Image Enhancement Program

The Franklin Boulevard Business Association has prepared the Annual Management Plan report, which is on file with the Public Improvement Financing Division, which the City Clerk has designated as the custodian of such records. The report addresses the 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 THE
NORTH FRANKLIN PROPERTY AND BUSINESS IMPROVEMENT DISTRICT (PBID)
(FY2009/10)**

BACKGROUND

- A. The North Franklin Property and Business Improvement District (the “District”), the boundaries of which are depicted in Exhibit A, was renewed by the City Council and approved by the property owners on July 24, 2007. The District was approved for five years 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 advocacy and communications, economic development and marketing, security coordination and maintenance services with the intent of continuing to create a positive atmosphere in the North Franklin Commercial Corridor. All services are as defined within the Management Plan Annual Report, and by reference made a part of this resolution which is separately bound and on file with the Public Improvement Financing Division, which the City Clerk has designated as the custodian of such records.
- D. The FY2009/10 assessment rates will increase by 1% 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 are true and correct.

Section 2. The annual budget set forth in the FY2009/10 Management Plan is adopted and the assessments set forth in the FY2009/10 Management Plan are authorized to be levied.

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

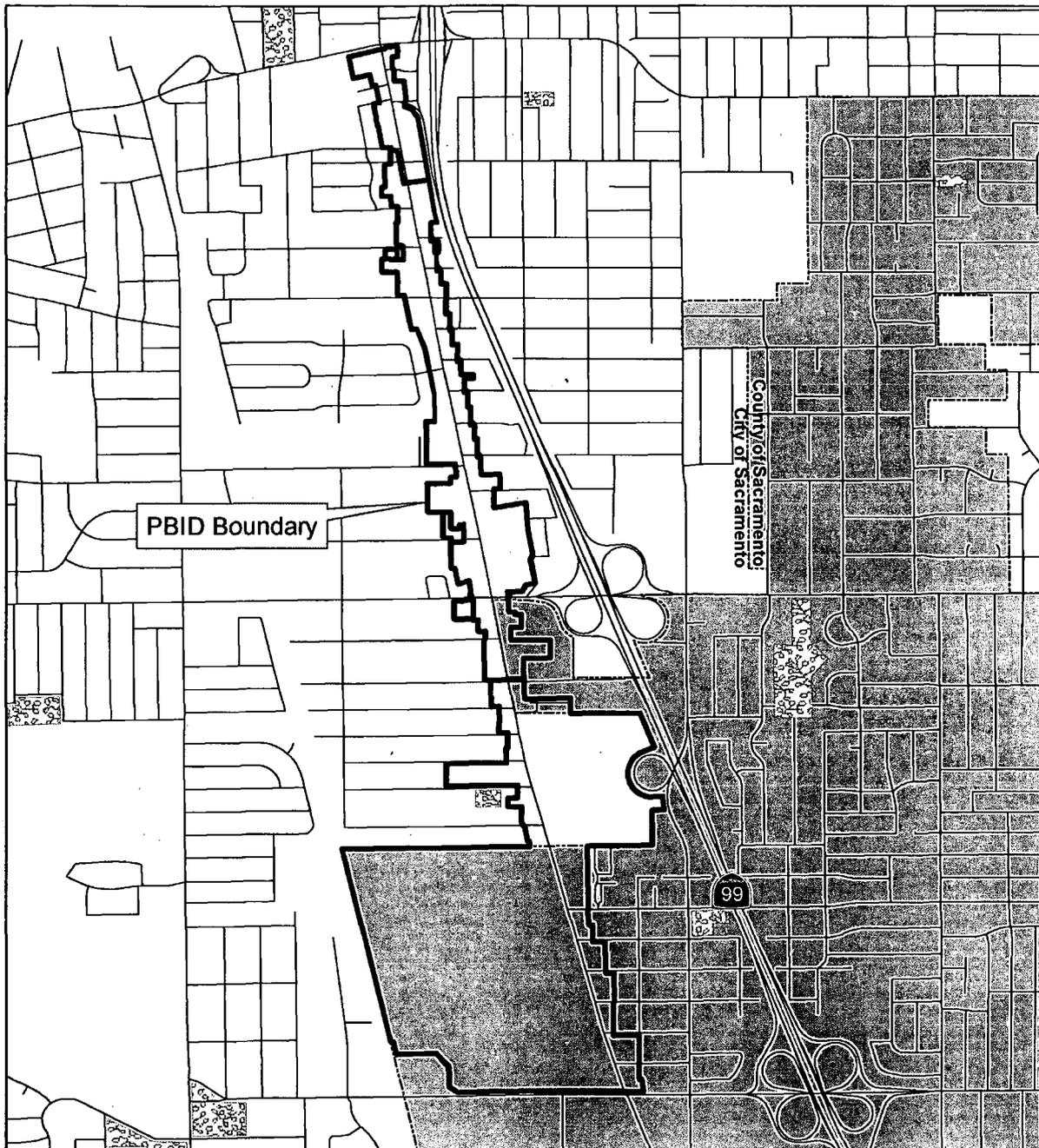
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EXHIBIT A

North Franklin Property and Business Improvement District



G.I.S.
City of
Sacramento
Planning Department
BMueller 05/22/08

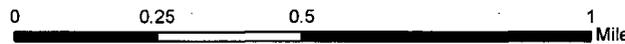


EXHIBIT B

**NORTH FRANKLIN
PROPERTY AND BUSINESS IMPROVEMENT DISTRICT
FY2009/2010 DISTRICT AND PARCEL ASSESSMENT**

DISTRICT ASSESSMENT

District	FY2009/10 Assessment Budget	Surplus / (deficit)	FY2009/10 Revenue
North Franklin PBID	\$106,000	\$0	\$106,000

PARCEL ASSESSMENT

Annual assessment rates are based on an allocation of program costs and a calculation of parcel square footage plus parcel front footage along Franklin Boulevard. Assessment rates may be subject to an increase by no more than 3% per year or the Consumer Price Index (CPI), whichever is less.

Zone	Parcel Square Footage Assessment	Parcel Front Footage Assessment	Exceptions
Zone 1	\$0.0101 / sq. ft.	\$4.55 / ft.	Tax-exempt parcels are assessed at 10% of the full assessment.
Zone 2	\$0.00135 / sq. ft.	none	

FIVE YEAR OPERATING BUDGET

Annual Assessment with 3% Maximum Increase per Year

	2008	2009	2010	2011	2012
Annual Assessment	\$105,000.00	\$108,150.00	\$111,394.50	\$114,736.33	\$118,178.42

