



REPORT TO COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2604
www. CityofSacramento.org

PUBLIC HEARING
June 23, 2009

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

**Title: Oak Park Property and Business Improvement District No. 2009-01 -
Public Hearing**

Location/Council District: Oak Park Commercial Corridor, Council District 5

Recommendation: Conduct a public hearing and, upon conclusion, direct the City Clerk to: (1) tabulate the assessment ballots submitted and not withdrawn before the hearing closed, and (2) report back as a Consent item on July 14, 2009 with the tabulation results.

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

Presenter: Jodie Vong

Department: Finance

Division: Public Improvement Financing

Organization No: 06001321

Description/Analysis

Issue: A majority of property owners along the Oak Park Commercial proposed to renew the Oak Park Property and Business Improvement District (PBID) for a seven (7) year term. In response, the City Council adopted a resolution that (1) directed staff to mail assessment ballots to the owners of real property within the proposed district and (2) set June 23, 2009, as the date for a public hearing on the proposed district and assessment. At the conclusion of the hearing, the City Clerk will tabulate the assessment ballots submitted and not withdrawn to determine whether there is a majority protest against the assessment (i.e., whether a majority of the property owners who submit ballots are opposed to the district and assessment). Staff will report the results of the tabulation at the City

Council meeting on July 14, 2009. If there is no majority protest, then staff will recommend that the City Council adopt a resolution declaring the results of the majority protest proceedings and establishing the Oak Park PBID No. 2009-01. Staff will also recommend that City Council adopt the district's annual budget and levy the assessment. If, however, there is a majority protest, then by law the City Council must terminate the proceedings to levy the assessment.

Policy Considerations: The proceedings under which this district is being processed are set forth in Section 36600 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

California Environmental Quality Act (CEQA): The renewal of a PBID does not constitute a project under CEQA and is therefore exempt from review pursuant to Guidelines Section 15378(b)(4).

Sustainability Considerations: There are no sustainability considerations applicable to the formation or renewal process and administration of an assessment district.

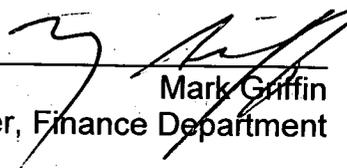
Committee/Commission Action: None

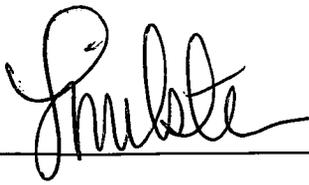
Rationale for Recommendation: The actions in the recommended Resolutions are required by the California Streets and Highways Codes, which is codified as Part 7 (beginning with Section 36600) of Division 18.

Financial Considerations: Financing will be provided by the levy of assessments upon real property that benefits from improvements and activities. The PBID does not issue bonds. The total assessment for FY2009/10 is projected at \$204,327. If this PBID is renewed, the City of Sacramento will be participating as a property owner in the district as the City owns McClatchy Park and a vacant building within the PBID and it will have a total annual assessment of approximately \$29,600 for the first year. Funding for the City's portion of the assessment is included in the FY2009/10 Proposed Operating Budget.

Emerging Small Business Development (ESBD): None. No goods or services are being purchased with this action.

Respectfully Submitted by: _____


Mark Griffin
Fiscal Manager, Finance Department

Approved by: 
Leyne Milstein
Director, Finance Department

Recommendation Approved:

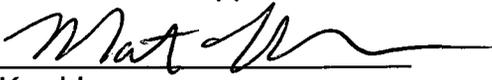

Ray Kerridge
City Manager

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BACKGROUND

The Oak Park PBID No. 2007-02 (existing "District") was approved by City Council, in accordance with the Property and Business Improvement District Law of 1994. The Oak Park PBID became effective on January 1, 2005 and will expire on December 31, 2009. A majority of the property owners within the District would like to renew the District for a seven-year term to continue funding for the following services in the Oak Park commercial corridor:

- Security and Maintenance Enhancement
- Advocacy/Administration
- Image Enhancement

The Management Plan is on file with the Public Improvement Financing Division, which has been designated by the City Clerk as the custodian of such records. The Management Plan is a comprehensive document, which describes the process of forming the PBID and providing the services identified by the property and business owners.

Assessment Budget

If the Oak Park PBID is renewed, the total district budget for year one (FY2009/10) of its seven (7) year operation is a base of approximately \$204,327. Assessment rates may be subject to an increase by no more than 3% per year or the annual February CPI for the San Francisco-Oakland Area, whichever is less.

Program	Budget	% of Total
Security and Maintenance Enhancement	\$ 134,856	66.0
Image Enhancement	\$ 18,389	9.0
Advocacy / Administration	\$ 51,812	25.0
Total	\$ 204,327	100.0

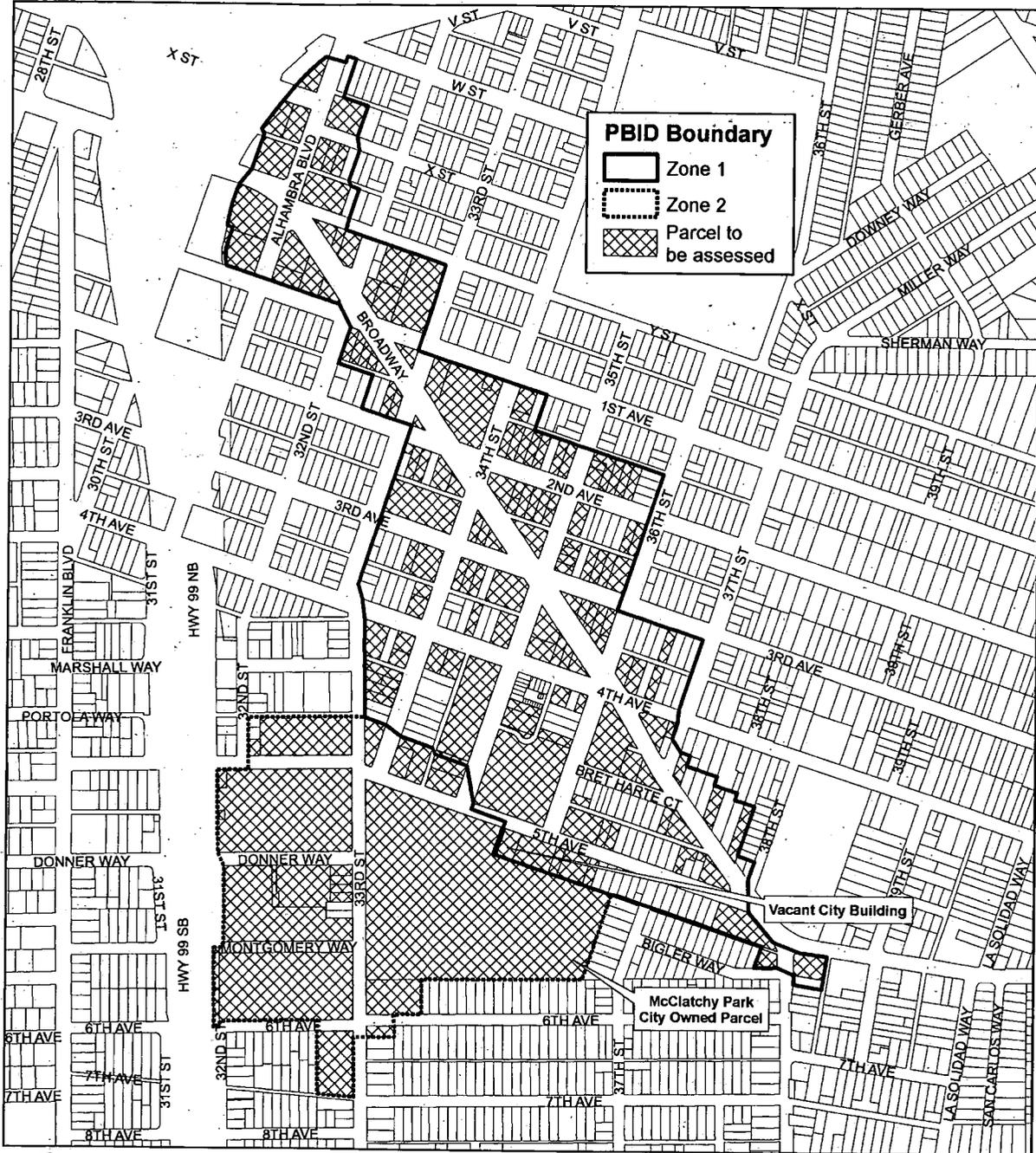
The properties within the district are categorized in two benefit zones. The assessment rates are based on an allocation of program costs and a calculation of parcel square footage. The rates proposed for FY2009/10 are \$0.123 per parcel square foot for Zone 1 and \$0.041 per parcel square foot for Zone 2. Tax exempt properties are assessed at \$0.031 per square foot in Zone 1. Residential properties with 4 units or less will not be assessed.

FY2009/10 Per Parcel Sq. Ft. ZONE1	FY2009/10 Per Parcel Sq. Ft. ZONE1 (EXEMPT)	FY2009/10 Per Parcel Sq. Ft. ZONE 2
\$0.123	\$0.031	\$0.041

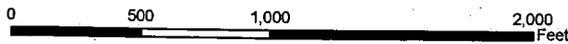
Public Hearing and Tabulation of Assessment Ballots

On May 5, 2009, the City Council directed staff to complete the actions necessary to renew the district. On May 6, 2009, staff mailed out approximately 85 assessment ballots and notices of hearing to the owners of property in the proposed district. Ballots must be submitted no later than the close of the public hearing to be counted. At the close of the public hearing, the assessment ballots will be tabulated to determine whether a majority protest exists. If a majority protest exists—that is, if the ballots submitted in opposition to the assessment exceed the ballots submitted in favor of it—then the proceedings to levy the assessment will terminate. Staff will report back with the tabulation results at the July 14, 2009 City Council meeting.

Oak Park Property & Business Improvement District No. 2009-01



G.I.S.
City of Sacramento
Department of Finance
BMueller 5/26/09



**SCHEDULE OF PROCEEDINGS
OAK PARK
PROPERTY AND BUSINESS IMPROVEMENT DISTRICT NO. 2009-01**

March 17, 2009	Petition Drive Kick-off
April 28, 2009	Received Signed Petitions
May 5, 2009	Resolution of Intention to Renew – City Council
May 6, 2009	Record Boundary Map
May 6, 2009	Mail, Publish Notice of Hearing, Management Plan, and Ballot
June 23, 2009	Public Hearing and Tabulation of Ballots – City Council
June 24, 2009	Record Notice of Assessment and Assessment Diagram
July 14, 2009	Ballot Results – City Council
August 2009	Assessment Roll to County