



REPORT TO COUNCIL

City of Sacramento

11

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

Consent
June 22, 2010

Honorable Mayor and
Members of the City Council

Title: FY2010/11 Business Improvement Area (BIA) Annual Budget Adoption

Location/Council District: 1, 2, 3, 5, and 6

Recommendation: Adopt 1) a **Resolution** approving the Del Paso BIA annual budget; 2) a **Resolution** approving the Downtown Plaza BIA annual budget; 3) a **Resolution** approving the Franklin Boulevard BIA annual budget; 4) a **Resolution** approving the Old Sacramento BIA annual budget; 5) a **Resolution** approving the Stockton Boulevard BIA annual budget; and 6) a **Resolution** approving the Sutter BIA annual budget.

Contact: Brad Wasson, Revenue Manager, 808-5724

Presenters: N/A

Department: Finance

Division: Revenue

Organization No: 06001211

Description/Analysis

Issue: Each BIA is required to submit an annual budget for City Council approval. This report recommends that the City Council approve the FY2010/11 annual budgets for the following five BIA's:

- Del Paso Boulevard
- Downtown Plaza
- Franklin Boulevard
- Old Sacramento
- Stockton Boulevard
- Sutter

Policy Considerations: Sacramento City Code Section 3.108.010 requires the City Council to review/audit the administration of the BIAs. The purpose of an annual budget review is to ensure that the funds for each district are being used for purposes specified in the City.

Environmental Considerations:

California Environmental Quality Act (CEQA): Under the California Environmental Quality Act (CEQA) guidelines, continuing administrative activities do not constitute a project and are therefore exempt from review.

Sustainability Considerations: None

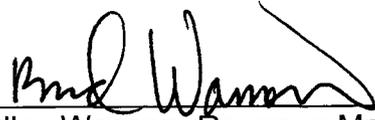
Rationale for Recommendation: The Mayor and City Council have selected specific organizations to administer these self-assessed business fees. The proposed budgets appear to be reasonable for promoting business in the area. Therefore, the Mayor and City Council should approve the organizations' budgets for the use of BIA funds in FY2010/11.

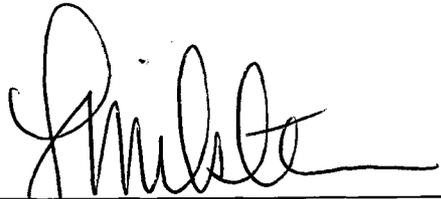
Financial Considerations: The proposed expenditures are supported by fees assessed against each business within the BIA. City Code allows for an annual increase of BIA fees based on the most current Consumer Price Index (CPI) data. The CPI – All Urban Consumers for the San Francisco area for February 2010 is 1.8%. BIA fees will increase by 1.8% effective July 1, 2010 (see Attachment 1 for a revised BIA fee schedule).

For all but the Sutter area, the City Collects the BIA fees at the time the Business Operations Tax is paid. The fees are then paid to agencies that the City Council has authorized to conduct promotion of the BIA. The proposed BIA expenditures are fully fee supported, with collection costs absorbed by the City. The restaurants in the Sutter area remit assessments monthly to the City. The City retains \$5,000 annually to cover administrative expenses for this purpose.

Individual budgets, as submitted by each of the administrative organizations, are attached as exhibits to the respective resolutions.

Emerging Small Business Development (ESBD): Not applicable.

Respectfully Submitted by: 
Bradley Wasson, Revenue Manager

Approved by: 
Leyne Milstein, Director of Finance

Recommendation Approved:


Gus Vina, Interim City Manager

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**BUSINESS IMPROVEMENT AREA FEES:
ANNUAL FEES AS OF JULY 1, 2010**

Downtown Plaza BIA: Minimum \$99 - Maximum \$7,910		
Gross Receipts	\$10,000 or less	\$99
	more than \$10,000	\$99 + .0008 x over \$10,000
Gross Payroll	Flat fee	\$99
Professional		\$99 + \$34 per employee
Brokers		\$99 + \$34 per employee
Hotel/Motel		\$99 + 1 per unit in excess of 4
Commercial Rental	\$10,000 or less	\$99
	more than \$10,000	\$99 + .0008 x over \$10,000

FRANKLIN BLVD BIA: Minimum \$50 - Maximum \$514		
Retail	Gross Receipts	Gross Receipts x .000544
Non-Retail	Flat Fee	\$50

DEL PASO BLVD BIA: Minimum \$22 - Maximum \$498		
Retail	Gross Receipts	
	\$10,000 or less	\$22
	more than \$10,000	\$22 + .0005 x over \$10,000
Non-Retail	Flat Fee	\$22

STOCKTON BLVD BIA: Minimum \$46 - Maximum \$478		
Retail	Gross Receipts	
	\$50,000 or less	\$46
	more than \$50,000	\$46 + .0005 x \$50,000
Non - Retail	Flat Fee	\$46

OLD SACRAMENTO BIA: Minimum \$142 - Maximum \$6,600		
* Retail - No Alcohol Sales		Total Gross Receipts x .0054
* Retail - Alcohol Sales		Total Gross Receipts x .0068
Non - Retail Flat Fee		\$72
* Note: Gross Receipts are exclusive of any alcohol sales		

RESOLUTION NO.

Adopted by the Sacramento City Council

**APPROVING THE FY2010/11 DEL PASO BOULEVARD BUSINESS IMPROVEMENT
AREA BUDGET**

BACKGROUND

- A. The Del Paso Boulevard Business Improvement Area (BIA) is established under Chapter 3.108 of the City Code for the purposes described therein.
- B. City Code Section 3.108.010 requires that each BIA submit an annual budget for review. The purpose of an annual budget review is to ensure that the funds for each district are being used for purposes specified in the City Code. For each BIA, City Code section 3.108.080 specifies that the City Council shall reserve unto itself sole discretion as to how the revenue derived from the charges shall be used within the scope of said authorized purposes.
- C. Staff has reviewed the FY2010/11 budget showing estimated BIA fees of \$40,000, and finds the budget to be adequate and reasonable for authorized purposes.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:**

- Section 1. The City Council finds and determines that the background statements A through C are true and correct.
- Section 2. The City Council hereby approves the proposed FY2010/11 Del Paso Boulevard BIA budget as detailed in Exhibit A of the resolution.
- Section 3. Exhibit A is part of this resolution.

Table of Contents:

Exhibit A

Exhibit A

Del Paso Blvd Business Improvement Area Annual Budget
Fiscal Year 2010/11

	BIA	Total
Revenues		
Beginning Reserves	\$ -	\$ -
Membership Fees	\$ -	\$ -
Business Tax Collections	\$ 38,000.00	\$ 38,000.00
Commercial Rental Tax Collections	\$ 2,000.00	\$ 2,000.00
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Total Revenues	\$ 40,000.00	\$ 40,000.00
Expenses		
Operating/Administrative Expenses		
Coordinator 2nd Saturday	\$ 12,000.00	\$ 12,000.00
Office Expenses	\$ 2,400.00	\$ 2,400.00
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	\$ 14,400.00	\$ 14,400.00
Advertising		
Paid Media: Local print media	\$ 6,800.00	\$ 6,800.00
Graphic Design	\$ 800.00	\$ 800.00
Printing (Flyers & Posters)	\$ 2,000.00	\$ 2,000.00
Banner Program	\$ 4,000.00	\$ 4,000.00
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	\$ 13,600.00	\$ 13,600.00
Special Events		
Recognition of New Retail, BIA Annual Meeting	\$ 9,200.00	\$ 9,200.00
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	\$ 9,200.00	\$ 9,200.00
Contingency		
General	\$ 2,800.00	\$ 2,800.00
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	\$ 2,800.00	\$ 2,800.00
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Total Expenses	\$ 40,000.00	\$ 40,000.00

RESOLUTION NO.

Adopted by the Sacramento City Council

**APPROVING THE FY2010/11 DOWNTOWN PLAZA BUSINESS IMPROVEMENT
AREA BUDGET**

BACKGROUND

- A. The Downtown Plaza Business Improvement Area (BIA) is established under Chapter 3.104 of the City Code for the purposes described therein.
- B. City Code section 3.104.010 requires that each BIA submit an annual budget for review. The purpose of an annual budget review is to ensure that the funds for each district are being used for purposes specified in the City Code. For each BIA, City Code section 3.104.080 specifies that the City Council shall reserve unto itself sole discretion as to how the revenue derived from the charges shall be used within the scope of said authorized purposes.
- C. Staff has reviewed the FY2010/11 budget showing estimated BIA fees of \$95,000, and finds the budget to be adequate and reasonable for authorized purposes.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:**

- Section 1. The City Council finds and determines that the background statements A through C are true and correct.
- Section 2. The City Council hereby approves the proposed FY2010/11 Downtown Plaza BIA budget as detailed in Exhibit A of the resolution.
- Section 3. Exhibit A is part of this resolution.

Table of Contents:

Exhibit A

Exhibit A

**Downtown Plaza Business Improvement Area Annual Budget
Fiscal Year 2010/11**

	BIA	Other	Total
Revenues			
Business Tax Collections	\$ 95,000.00	\$ -	\$ 95,000.00
Total Revenues	\$ 95,000.00	\$ -	\$ 95,000.00
Expenses			
Operating/Administrative Expenses			
Holiday Décor Service	\$ 12,000.00	\$ -	\$ 12,000.00
Taxes & Professional Fees	\$ 6,000.00	\$ -	\$ 6,000.00
	<u>\$ 18,000.00</u>	<u>\$ -</u>	<u>\$ 18,000.00</u>
Advertising			
Downtown Partnership	\$ 15,000.00	\$ -	\$ 15,000.00
Visitor's Guide	\$ 9,500.00	\$ -	\$ 9,500.00
	<u>\$ 24,500.00</u>	<u>\$ -</u>	<u>\$ 24,500.00</u>
Special Events			
Ice Rink Sponsorship	\$ 30,000.00	\$ -	\$ 30,000.00
Pacific Rim Street Fest	\$ 4,500.00	\$ -	\$ 4,500.00
Holiday Event	\$ 18,000.00	\$ -	\$ 18,000.00
	<u>\$ 52,500.00</u>	<u>\$ -</u>	<u>\$ 52,500.00</u>
Total Expenses	\$ 95,000.00	\$ -	\$ 95,000.00

RESOLUTION NO.

Adopted by the Sacramento City Council

**APPROVING THE FY2010/11 FRANKLIN BOULEVARD BUSINESS IMPROVEMENT
AREA BUDGET**

BACKGROUND

- A. The Franklin Boulevard Business Improvement Area (BIA) is established under Chapter 3.100 of the City Code for the purposes described therein.
- B. City Code Section 3.100.010 requires that each BIA submit an annual budget for review. The purpose of an annual budget review is to ensure that the funds for each district are being used for purposes specified in the City Code. For each BIA, City Code section 3.100.080 specifies that the City Council shall reserve unto itself sole discretion as to how the revenue derived from the charges shall be used within the scope of said authorized purposes.
- C. Staff has reviewed the FY2010/11 budget showing estimated BIA fees of \$58,000, and finds the budget to be adequate and reasonable for authorized purposes.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:**

- Section 1. The City Council finds and determines that the background statements A through C are true and correct.
- Section 2. The City Council hereby approves the proposed FY2010/11 Franklin Boulevard BIA budget as detailed in Exhibit A resolution.
- Section 3. Exhibit A is part of this resolution.

Table of Contents:

Exhibit A

Exhibit A

Franklin Blvd Business Improvement Area Annual Budget
Fiscal Year 2010/11

	BIA	Other	Total
Revenues			
Beginning Reserves	\$ 10,000.00		\$ 10,000.00
Other Revenues - PBID	\$ -	\$ 93,339.00	\$ 93,339.00
Business Tax Collections	\$ 40,000.00	\$ -	\$ 40,000.00
County Billing	\$ 18,000.00	\$ -	\$ 18,000.00
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Total Revenues	\$ 68,000.00	\$ 93,339.00	\$ 161,339.00
Expenses			
Operating/Administrative Expenses			
Sec. Coord/Admin	\$ 32,500.00	\$ 46,339.00	\$ 78,839.00
Qtly. Newsletter	\$ 9,000.00	\$ -	\$ 9,000.00
Maintenance-PBID	\$ -	\$ 39,500.00	\$ 39,500.00
Annual Report	\$ -	\$ 2,000.00	\$ 2,000.00
Graffiti Removal/Shopping Cart Remov.	\$ 1,500.00	\$ 500.00	\$ 2,000.00
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	\$ 43,000.00	\$ 88,339.00	\$ 131,339.00
Advertising			
Web Site	\$ 500.00	\$ 500.00	\$ 1,000.00
Posada	\$ 1,000.00		\$ 1,000.00
Franklin Urban Plein Air Signage	\$ 3,000.00		\$ 3,000.00
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	\$ 4,500.00	\$ 500.00	\$ 5,000.00
Special Events			
Hispanic Parade	\$ 8,000.00	\$ -	\$ 8,000.00
Banners	\$ 2,500.00	\$ 4,500.00	\$ 7,000.00
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	\$ 10,500.00	\$ 4,500.00	\$ 15,000.00
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Total Expenses	\$ 58,000.00	\$ 93,339.00	\$ 151,339.00

RESOLUTION NO.

Adopted by the Sacramento City Council

**APPROVING THE FY2010/11 OLD SACRAMENTO BUSINESS IMPROVEMENT
AREA BUDGET**

BACKGROUND

- A. The Old Sacramento Business Improvement Area (BIA) is established under Chapter 3.96 of the City Code for the purposes described therein.
- B. City Code Section 3.96.010 requires that each BIA submit an annual budget for review. The purpose of an annual budget review is to ensure that the funds for each district are being used for purposes specified in the City Code. For each BIA, City Code section 3.96.080 specifies that the City Council shall reserve unto itself sole discretion as to how the revenue derived from the charges shall be used within the scope of said authorized purposes.
- C. Staff has reviewed the FY2010/11 budget showing estimated BIA fees of \$125,000, and finds the budget to be adequate and reasonable for authorized purposes.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:**

- Section 1. The City Council finds and determines that the background statements A through C are true and correct.
- Section 2. The City Council hereby approves the proposed FY2010/11 Old Sacramento BIA budget as detailed in Exhibit A of the resolution.
- Section 3. Exhibit A is part of this resolution.

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Exhibit A

Exhibit A

Old Sacramento Business Improvement Area Annual Budget
Fiscal Year 2009/10

	BIA	Other	Total
Revenues			
Beginning Reserves	\$ -	\$ 80,000.00	\$ 80,000.00
Other Revenues	\$ -	\$ 164,530.00	\$ 164,530.00
Business Tax Collections	\$ 125,000.00	\$ -	\$ 125,000.00
Total Revenues	<u>\$ 125,000.00</u>	<u>\$ 244,530.00</u>	<u>\$ 369,530.00</u>
Expenses			
Operating/Administrative Expenses			
Payroll	\$ 30,000.00	\$ 64,324.00	\$ 90,324.00
General Operating Expenses	\$ 20,000.00	\$ 30,847.00	\$ 50,847.00
	<u>\$ 50,000.00</u>	<u>\$ 91,171.00</u>	<u>\$ 141,171.00</u>
Advertising			
Advertising	\$ 7,000.00	\$ 8,000.00	\$ 15,000.00
Marketing Materials	\$ 15,000.00	\$ -	\$ 15,000.00
Program Services	\$ 13,250.00	\$ -	\$ 13,250.00
	<u>\$ 35,250.00</u>	<u>\$ 8,000.00</u>	<u>\$ 43,250.00</u>
Special Events			
Mardi Gras	\$ 500.00	\$ 4,500.00	\$ 5,000.00
St. Patrick's Day	\$ 15,000.00	\$ 10,000.00	\$ 25,000.00
Theatre of Lights	\$ 25,000.00	\$ 50,000.00	\$ 75,000.00
	<u>\$ 40,500.00</u>	<u>\$ 64,500.00</u>	<u>\$ 105,000.00</u>
Total Expenses	<u>\$ 125,750.00</u>	<u>\$ 163,671.00</u>	<u>\$ 289,421.00</u>

RESOLUTION NO.

Adopted by the Sacramento City Council

**APPROVING THE FY2010/11 STOCKTON BOULEVARD BUSINESS
IMPROVEMENT AREA BUDGET**

BACKGROUND

- A. The Stockton Boulevard Business Improvement Area (BIA) is established under Chapter 3.112 of the City Code for the purposes described therein.
- B. City Code Section 3.112.010 requires that each BIA submit an annual budget for review. The purpose of an annual budget review is to ensure that the funds for each district are being used for purposes specified in the City Code. For each BIA, City Code section 3.112.080 specifies that the City Council shall reserve unto itself sole discretion as to how the revenue derived from the charges shall be used within the scope of said authorized purposes.
- C. Staff has reviewed the FY2010/11 budget showing estimated BIA fees of \$53,000, and finds the budget to be adequate and reasonable for authorized purposes.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:**

- Section 1. The City Council finds and determines that the background statements A through C are true and correct.
- Section 2. The City Council hereby approves the proposed FY2010/11 Stockton Boulevard BIA budget as detailed in Exhibit A of the resolution.
- Section 3. Exhibit A is part of this resolution.

Table of Contents:

Exhibit A

Exhibit A

Stockton Blvd Business Improvement Area Annual Budget
Fiscal Year 2010/11

	BIA	Other	Total
Revenues			
Business Tax Collections	\$ 50,000.00	\$ -	\$50,000.00
County Billing	\$ 3,000.00		\$ 3,000.00
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Total Revenues	\$ 53,000.00	\$ -	\$53,000.00
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Expenses			
Advertising			
General Promotion	\$ 17,000.00	\$ -	\$17,000.00
	\$ 17,000.00	\$ -	\$17,000.00
	<hr/>		<hr/>
Special Events			
Events & Special Projects	\$ 28,550.00	\$ -	\$28,550.00
Receptacle Maintenance	\$ 7,450.00	\$ -	\$ 7,450.00
	\$ 36,000.00	\$ -	\$36,000.00
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Total Expenses	\$ 53,000.00	\$ -	\$53,000.00
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RESOLUTION NO.

Adopted by the Sacramento City Council

**APPROVING THE FY2010/11 SUTTER
BUSINESS IMPROVEMENT AREA BUDGET**

BACKGROUND

- A. The Sutter Business Improvement Area (BIA) is established under Chapter 3.106 of the City Code for the purposes described therein.
- B. City Code section 3.106.010 requires that each BIA submit an annual budget for review. The purpose of an annual budget review is to ensure that the funds for each district are being used for purposes specified in the City Code. For each BIA, City Code section 3.106.080 specifies that the City Council shall reserve unto itself sole discretion as to how the revenue derived from the charges shall be used within the scope of said authorized purposes.
- C. Staff has reviewed the FY2010/11 budget showing estimated BIA fees of \$100,000, and finds the budget to be adequate and reasonable for authorized purposes.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:**

- Section 1. The City Council finds and determines that the background statements A through C are true and correct.
- Section 2. The City Council hereby approves the proposed FY2010/11 Sutter BIA budget as detailed in Exhibit A of the resolution.
- Section 3. Exhibit A is part of this resolution.

Table of Contents:

Exhibit A

Exhibit A

Sutter Business Improvement Area Annual Budget
Fiscal Year 2010/11

	BIA	Total
Revenues		
Business Tax Collections	<u>\$100,000.00</u>	<u>\$100,000.00</u>
Total Revenues	<u>\$100,000.00</u>	<u>\$100,000.00</u>
Expenses		
Operating/Administrative Expenses		
Administration	\$ 10,000.00	\$ 10,000.00
Maintenance	<u>\$ 5,000.00</u>	<u>\$ 5,000.00</u>
	<u>\$ 15,000.00</u>	<u>\$ 15,000.00</u>
Advertising		
Clean and Safe	<u>\$ 35,000.00</u>	<u>\$ 35,000.00</u>
	<u>\$ 35,000.00</u>	<u>\$ 35,000.00</u>
Special Events		
Marketing & Special Events	<u>\$ 50,000.00</u>	<u>\$ 50,000.00</u>
	<u>\$ 50,000.00</u>	<u>\$ 50,000.00</u>
Total Expenses	<u>\$100,000.00</u>	<u>\$100,000.00</u>