



City of Sacramento City Council

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

Meeting Date: 6/14/2011

Report Type: Consent

Title: Fiscal Year (FY) 2011/12 Annual Proceedings: Del Paso Property and Business Improvement District (PBID)

Report ID: 2011-00226

Location: District 2

Recommendation: Adopt a Resolution approving the Del Paso Boulevard PBID Annual Report, establishing a budget and levying an assessment for Fiscal Year (FY) 2011/12.

Contact: Sini Makasini, Finance Department, (916) 808-7967; Mark Griffin, Finance Department, (916) 808-8788

Presenter: None

Department: Finance

Division: Public Improvement Finance

Dept ID: 06001321

Attachments:

- 1-Description/Analysis
- 2-Schedule of Proceedings
- 3-Resolution

City Attorney Review

Approved as to Form
Matthew Ruyak
6/6/2011 1:04:09 PM

City Treasurer Review

Prior Council Financial Policy Approval or
Outside City Treasurer Scope
Russell Fehr
5/27/2011 12:48:43 PM

Approvals/Acknowledgements

Department Director or Designee: Leyne Milstein - 6/3/2011 11:53:08 AM

Assistant City Manager: Patti Bisharat - 6/6/2011 9:46:03 AM



Description/Analysis

Issue: The PBID Area Law of 1994 requires the Del Paso Boulevard PBID (District) to file an Annual Report (Report) with the City Clerk and for City Council to approve the Report as filed together with assessments and budgets for FY2011/12. Approval of the District's Report will authorize the City to collect assessments in the amount sufficient to provide funding: 1) for security services, maintenance, image enhancement programs, marketing and advocacy within the District for FY2011/12 and; 2) to establish the associated budget.

The Report does not change the scope of services or any other aspect of the District's legal structure as established in the Management District Plan approved at formation of the District. The assessment rates will also not increase for FY2011/12.

The District Advisory Board has prepared the 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, assessments, and services to be provided.

Policy Considerations: The annual proceedings for the District are set forth in Sections 36600 to 36671 of the California Streets and Highways Code, entitled "Property and Business Improvement District Law of 1994." The District provides funding for a multitude of services including: security services, maintenance, image enhancement programs, marketing and advocacy within the District.

Environmental Considerations:

California Environmental Quality Act (CEQA): 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: There are no sustainability considerations applicable to the formation or renewal and administration of an assessment district.

Commission/Committee Action: None.

Rationale for Recommendation: The actions in the recommended Resolution are required by the California Streets and Highways Code Part 7 (beginning with Section 36600) of Division 18.

Financial Considerations: Financing of the District will be provided by the levy of assessments upon real property that benefits from improvements and activities of the District. The District does not plan to issue bonds.

The City of Sacramento participates as a property owner in the District. City-owned properties will have a total annual assessment of approximately \$43,263. Funding to pay the City's assessment is included in the FY2011/12 Proposed Budget.

The District assessment budget for FY2011/12 is \$366,387. The District will receive approximately \$357,397 for operations. The City will retain \$8,990 to cover City administrative costs. The annual operating budget for the District will be adjusted to reflect the Council approved assessments and expenditure plans.

Emerging Small Business Development (ESBD): City Council approval of these proceedings is not affected by City policy related to the ESBD Program.

SCHEDULE OF PROCEEDINGS

DEL PASO BOULEVARD PROPERTY AND BUSINESS IMPROVEMENT DISTRICT NO. 2010-01 FY2011/12 SCHEDULE

June 14, 2011	Council Approves District Budget and Orders Annual Levy for FY2011/12
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August 2011 Assessment Tax Roll to County



RESOLUTION NO.

Adopted by the Sacramento City Council

APPROVING THE ANNUAL REPORT FOR THE DEL PASO BOULEVARD PROPERTY AND BUSINESS IMPROVEMENT DISTRICT (PBID) AND LEVYING ASSESSMENT FOR FISCAL YEAR (FY) 2011/12

BACKGROUND

- A. The Del Paso Boulevard Property and Business Improvement District (the “District”) the boundaries of which are depicted in Exhibit A, was established by the City Council and approved by the property owners on July 20, 2010. The District was renewed for 10 more years effective January 1, 2011.
- 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, in accordance with the PBID Law.
- C. The District provides for security services, maintenance, image enhancement programs, marketing and advocacy with the intent of continuing to create a positive atmosphere in the District. All services are as defined within the 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 FY2011/12 assessment rates will not increase from the previous year, and are still below the highest authorized amount for the District.
- 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 and assessments as set forth in the FY2011/12 Annual Report are authorized.

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

Table of Contents:

Exhibit A: District Map

Exhibit B: FY2011/12 District & Parcel Assessment

EXHIBIT A

**Del Paso Boulevard
Property and Business Improvement District 2010-01**

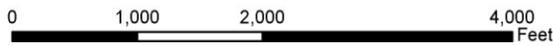
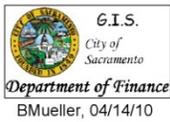
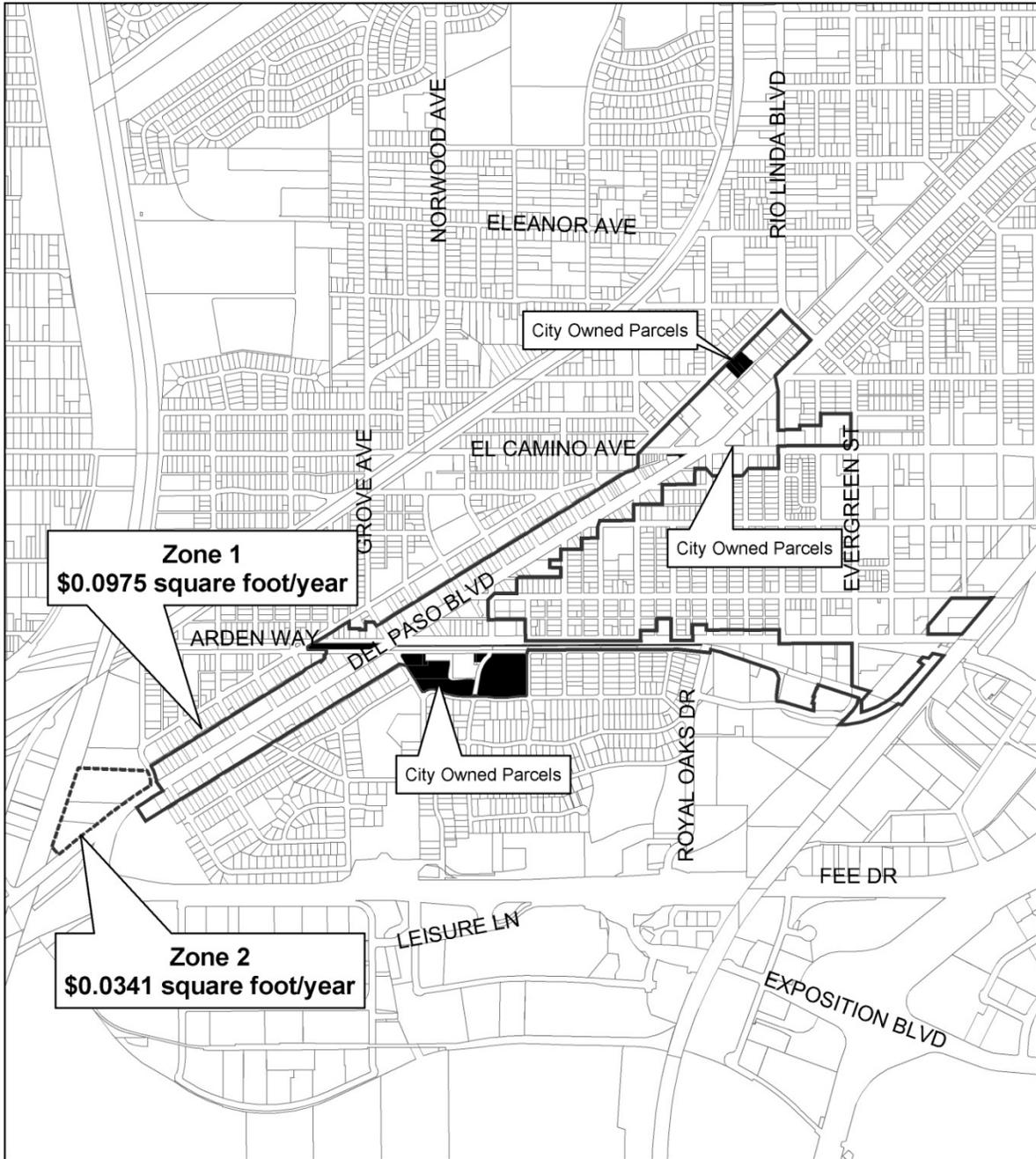


EXHIBIT B

**DEL PASO BOULEVARD
PROPERTY AND BUSINESS IMPROVEMENT DISTRICT
FY2011/2012 DISTRICT BUDGET & PARCEL ASSESSMENT**

Total Assessment Budget		\$366,387
Fund Balance		0
Total Revenue		<u>\$366,387</u>
Special Districts Administration	\$7,375	
Consultant (NBS) Reporting	250	
City Accounting	1,159	
County Billing Cost	<u>206</u>	
Less: Total City Administration Expense		<u>\$8,990</u>
Estimated Total PBID Disbursement		<u>\$357,397</u>

PARCEL ASSESSMENT

The annual assessment rates are based on special benefit received. These special benefits have been calculated based on an allocation of program costs and a calculation per square feet. The cost to a property owner in Zone 1 is \$0.0975 per parcel square foot, while the cost to a property owner in Zone 2 is \$0.0341 per parcel square foot. Tax exempt properties are assessed at 50% of the respective Zone 1 or Zone 2 assessment rates. Additionally, parcels in Zone 1 with an auto-wrecking land use will be subject to an assessment of \$0.02925 per parcel square foot, while parcels of the same land use in Zone 2 will be subject to an assessment of \$0.0102 per parcel square foot.

Property Classification	Rate per Parcel Square Foot Zone 1	Rate per Parcel Square Foot Zone 2
Commercial Property	\$0.0975	\$0.0341
Religious and Tax-Exempt Property	\$0.04875 (50% Rate)	\$0.0170 (50% Rate)
Auto Wrecking Property	\$0.02925 (30% Rate)	\$0.0102 (30% Rate)
Residential (4 units or less)	Not Assessed	Not Assessed