



City of Sacramento City Council

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

Meeting Date: 7/12/2011

Report Type: Public Hearing

Title: Power Inn Area Property and Business Improvement District No. 2011-03 (Noticed on 5-26-11)

Report ID: 2011-00326

Location: District 6

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a public hearing and, upon conclusion, direct the City Clerk to: (1) tabulate the assessment ballots submitted and not withdrawn before the hearing closed, and (2) report back as a Consent item on July 19, 2011 with the tabulation results.

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

Presenter: Sini Makasini, (916) 808-7967, Finance Department

Department: Finance

Division: Public Improvement Finance

Dept ID: 06001321

Attachments:

- 1-Description/Analysis
- 2-Background
- 3-Schedule of Proceedings
- 4-District Map

City Attorney Review

Approved as to Form
Jeffrey C. Heeren
7/5/2011 11:32:18 AM

City Treasurer Review

Prior Council Financial Policy Approval or
Outside City Treasurer Scope
Russell Fehr
6/28/2011 1:22:41 PM

Approvals/Acknowledgements

Department Director or Designee: Leyne Milstein - 6/29/2011 9:18:47 AM

Assistant City Manager: Cassandra Jennings - 7/5/2011 10:26:16 AM



Description/Analysis

Issue: A majority of property owners along the Power Inn industrial corridor proposed to renew the Power Inn Area Property and Business Improvement District No. 2011-03 (District) for a ten (10) year term. In response, on May 24, 2011, the City Council adopted a resolution: 1) directing staff to mail assessment ballots and notices of public hearing to the owners of real property within the proposed District; and 2) setting July 12, 2011, as the date for a public hearing on the proposed District renewal 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At the conclusion of the hearing, the City Clerk will tabulate the assessment ballots submitted and not withdrawn to determine whether there is a majority protest against the assessment (i.e., whether a majority of the property owners who submit ballots are opposed to the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 19, 2011. If there is no majority protest from ballots submitted and not withdrawn, staff will recommend that the City Council adopt a resolution declaring the results of the majority protest proceedings and establishing the District.

Policy Considerations: The goal of the District is to continue to provide advocacy and communications efforts, security and code enforcement, economic development and marketing, transportation improvements, and maintenance and beautification efforts with the intent of increasing the commercial activity and overall image of the Power Inn industrial corridor.

Environmental Considerations:

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

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

Commission/Committee Action: None.

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

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

The total assessment for FY2011/12 is projected at \$498,000. If the District is renewed, the City of Sacramento will be participating as a property owner in the District. The City owns 15 parcels within the District and will have a total first-year annual assessment of \$49,449.53. Future assessment rates may be subject to an increase of no more than 4% annually. Funds are currently budgeted for continued participation in the District. The City will retain \$14,367 to cover City administrative costs.

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



BACKGROUND

The Power Inn Area PBID (District) was approved by City Council for a five year term on July 18, 2006, in accordance with the PBID Area Law of 1994, and became effective on January 1, 2007. The property owners within the District would like to renew the District for a ten (10) year term.

The District provides funding for the following services within the Power Inn Industrial Corridor: Community Service Initiatives providing security patrol and daily street maintenance; Economic Development outreach and activities to convey a positive image for the area; and promotion of events and marketing, advocating consumer awareness of services available in the corridor.

The District's Board of Directors has prepared the Management Plan (Plan), which is on file with the Public Improvement Financing unit (PIF unit) of the Department of Finance, designated by the City Clerk to be the repository of documents associated with special districts. The Plan is a comprehensive document which describes the process of forming the District and providing the services identified by the property and business owners. The attached resolution will initiate the renewal proceedings of the District.

The annual assessments are \$182.32 per acre of land. City-owned parcels will be assessed at a rate of \$116.00 per acre. Privately-owned (non-governmental) tax-exempt parcels, including parcels owned by religious institutions, will be assessed at a rate which is fifty-percent (50%) of the full assessment.

Power Inn Area PBID FY2011/12 Budget

Program	Budget	% of Total
Advocacy and Communications	\$109,560	22.00
Security and Code Enforcement	\$59,760	12.00
Economic Development and Marketing	\$84,660	17.00
Maintenance and Beautification	\$184,260	37.00
Transportation	\$49,800	10.00
Contingency and Renewal	\$9,960	2.00
Total	\$498,000	100.00

Public Hearing and Tabulation of Assessment Ballots

On May 24, 2011, City Council directed staff to complete the actions necessary to renew the District. On May 25, 2011, staff mailed out assessment ballots and notices of public 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 19, 2011, City Council meeting.



**SCHEDULE OF PROCEEDINGS
POWER INN AREA
PROPERTY AND BUSINESS IMPROVEMENT DISTRICT NO. 2011-03**

January 25, 2011	Petition Drive Kick-off
April 25, 2011	Receive Signed Petitions
April 26, 2011	City Manager Signature Authority – City Council
May 24, 2011	Resolution of Intention to Renew – City Council
May 25, 2011	Record Boundary Map, Mail Ballots, Publish Notice of Hearing
July 12, 2011	Public Hearing and Tabulation of Ballots – City Council
July 19, 2011	Ballot Results – City Council
July 20, 2011	Record Notice of Assessment and Assessment Diagram
August 2011	Assessment Roll to County



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