



**REPORT TO HOUSING AUTHORITY
CITY OF SACRAMENTO**
915 I Street, Sacramento, CA 95814-2671
www.CityofSacramento.org

Consent
March 27, 2012

Honorable Chair and Members of the Housing Authority Board

Title: Housing Authority Participation in the Renewal of the Greater Broadway and Midtown Sacramento Property and Business Improvement Districts

Location/Council District: Broadway between 5th Avenue and 29th Street and Midtown Sacramento, Council District 4

Recommendation: Adopt a **Housing Authority Resolution** a) delegating signatory authority to the Executive Director, or her designee, for Housing Authority properties included in the proposed Greater Broadway and Midtown Sacramento Property and Business Improvement Districts; b) authorizing the Executive Director, or her designee, to pay the annual assessment fees from Conventional Housing funds.

Contact: Nick Chhotu, Assistant Director, 440-1334; Chris Pahule, Assistant Director, 440-1350

Presenters: None

Department: Sacramento Housing and Redevelopment Agency

Description/Analysis

Issue: The Midtown Sacramento Property and Business Improvement District (PBID) and the Greater Broadway PBID were established in 2007 and will expire at the end of 2012. Since establishment, both organizations have accomplished much to support these vital commercial districts and propose to renew their PBIDs. The Greater Broadway PBID (GBPBD) is proposing an additional ten-year term and Midtown Sacramento PBID (MSPBD) an additional five-year term.

Public housing communities are located within both PBID boundaries. One parcel of the Alder Grove public housing community is in the proposed GBPBD. A total of six parcels are in the proposed MSPBD. These seven parcels are owned by the Housing Authority of the County due to a recording error at the time the properties were transferred, but have always been managed by the Housing Authority of the City. On February 1, 2012, the Redevelopment Agency was eliminated and the Housing Authority of the City of Sacramento was designated the Housing Successor Agency (HSA). By operation of law, all redevelopment housing assets and agreements were transferred to the HSA.

Housing Authority Participation in the PBID Renewals

One transferred asset is one of two parcels developed as Pensione K, a 137 unit affordable housing development. This parcel was purchased for residential purposes and was developed in 1994 along with the adjacent parcel through a Disposition and Development Agreement (DDA) and a 55-year ground lease. The DDA provided for low/moderate tax increment and housing trust fund financing. Pensione K's regulated units are monitored and inspected annually for compliance with the regulatory agreement.

This report recommends that the Housing Authority (and Housing Successor Agency), as a significant property owner, participate in renewing the PBIDs through signing petitions and voting during the formation process. Should the PBIDs be renewed, the report also recommends authorizing the Executive Director to pay the annual assessment fees from the Conventional Housing funds.

Policy Considerations: The proposed PBIDs are consistent with the Public Housing Authority's Annual Plan as they support the following Goals and Objectives: increase the availability of decent, safe, and affordable housing; and Improve community quality of life and economic vitality.

Environmental Considerations:

California Environmental Quality Act (CEQA): Activities undertaken under the PBID associated with landscape and maintenance are exempt from CEQA pursuant to CEQA Guidelines Section 15301. The remaining activities have no possibility of having significant effect on the environment, and as such, are also exempt from CEQA pursuant to CEQA Guidelines Section 15061 (b) (3). All other actions proposed herein are considered administrative actions in furtherance of the Greater Broadway and Midtown Sacramento PBIDs, and are not considered a separate project; therefore, no further environmental review is required under CEQA.

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

Other: As an administrative activity, this activity has been determined to be exempt under the National Environmental Policy Act (NEPA) Code of Federal Regulations sections 58.34(a)(1) and 8.34 (a)(3). The activity is also exempt under section 58.34(a)(4) as it is a maintenance and crime prevention activity.

Housing Authority Participation in the PBID Renewals

Committee/Commission Action: *Sacramento Housing and Redevelopment Commission:* At its meeting of March 7, 2012, the Sacramento Housing and Redevelopment Commission considered the staff recommendation for this item. The votes were as follows:

AYES: Alcalay, Chan, Fowler, Gore, LeDuc, Morgan, Morton, Rosa

NOES: none

ABSTAIN: none

ABSENT: Johnson, Shah, Stivers

Rationale for Recommendation: In 2007, it was determined that the formation of a PBID could enhance the economic development of both commercial districts, and both efforts have been successful. The GBP BID services benefit approximately 395 properties and numerous businesses. The district includes approximately 40 blocks which is roughly bounded by Broadway to the south, X Street to the north, I-5 to the west and Franklin Boulevard to the east. The Midtown Sacramento Business Association boundaries include approximately 475 parcels within 60 blocks of the central urban core of Sacramento. The boundaries include 16th on the west to 29th Street on the east, J, K, and L Streets and portions of I Street, Capitol Avenue, N, O, P, and Q Streets. The proposed services for both districts include public maintenance, trash collection, graffiti abatement, additional public security, events, district marketing, and business advocacy. These services and activities will improve overall district cleanliness and safety, increase building occupancy and lease rates, and encourage new business development and services for property in the districts. Overall, they create safer and more economically vital business districts, which benefit Housing Authority residents. The proceedings to initiate the GBP BID renewal are scheduled for City Council on April 26, 2012, and for the MSP BID on May 22, 2012.

Financial Considerations: This report recommends authorizing the Housing Authority to allocate and utilize Conventional Housing funds to annually pay approximately \$12,500 for the GBP BID assessment and \$7,950 for the MSP BID assessment. The ground lease for the Pensione K development requires the lessee to pay the assessment, therefore funding is not required for payment. Upon approval of the attached resolution and renewal of the PBIDs, the Housing Authority will be participating as a property owner. Assessment rates may be subject to an increase of no more than five percent annually in the GBP BID and up to three percent in the MSP BID.

March 27, 2012

Housing Authority Participation in the PBID Renewals

M/WBE Considerations: Minority and Women's Business Enterprise requirements will be applied to all activities to the extent required by federal funding to maintain that federal funding.

Respectfully Submitted by:



LA SHELLE DOZIER
Executive Director

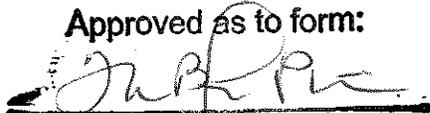
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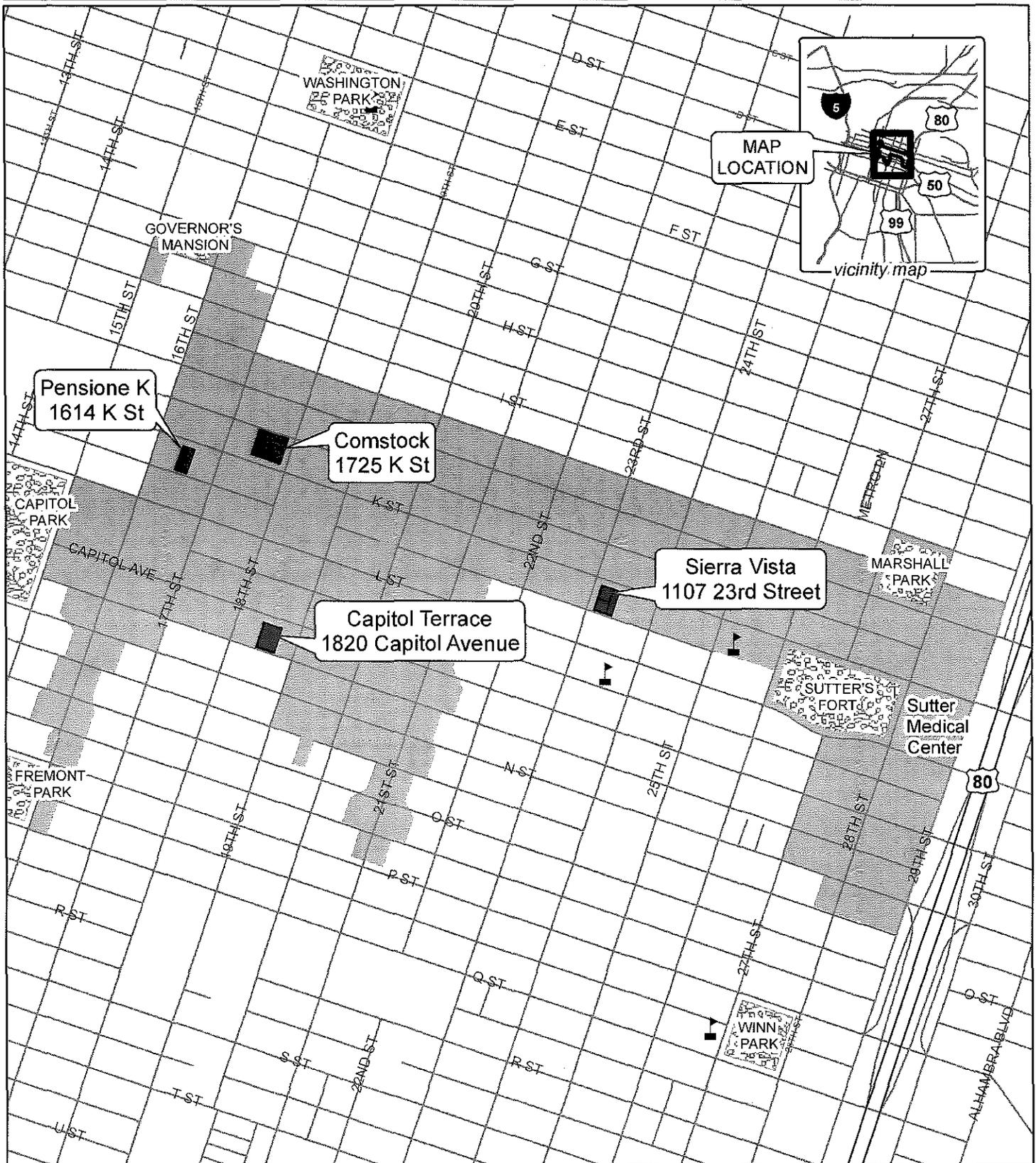
Approved as to form:



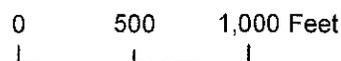
Agency Counsel



Midtown Sacramento PBID Renewal



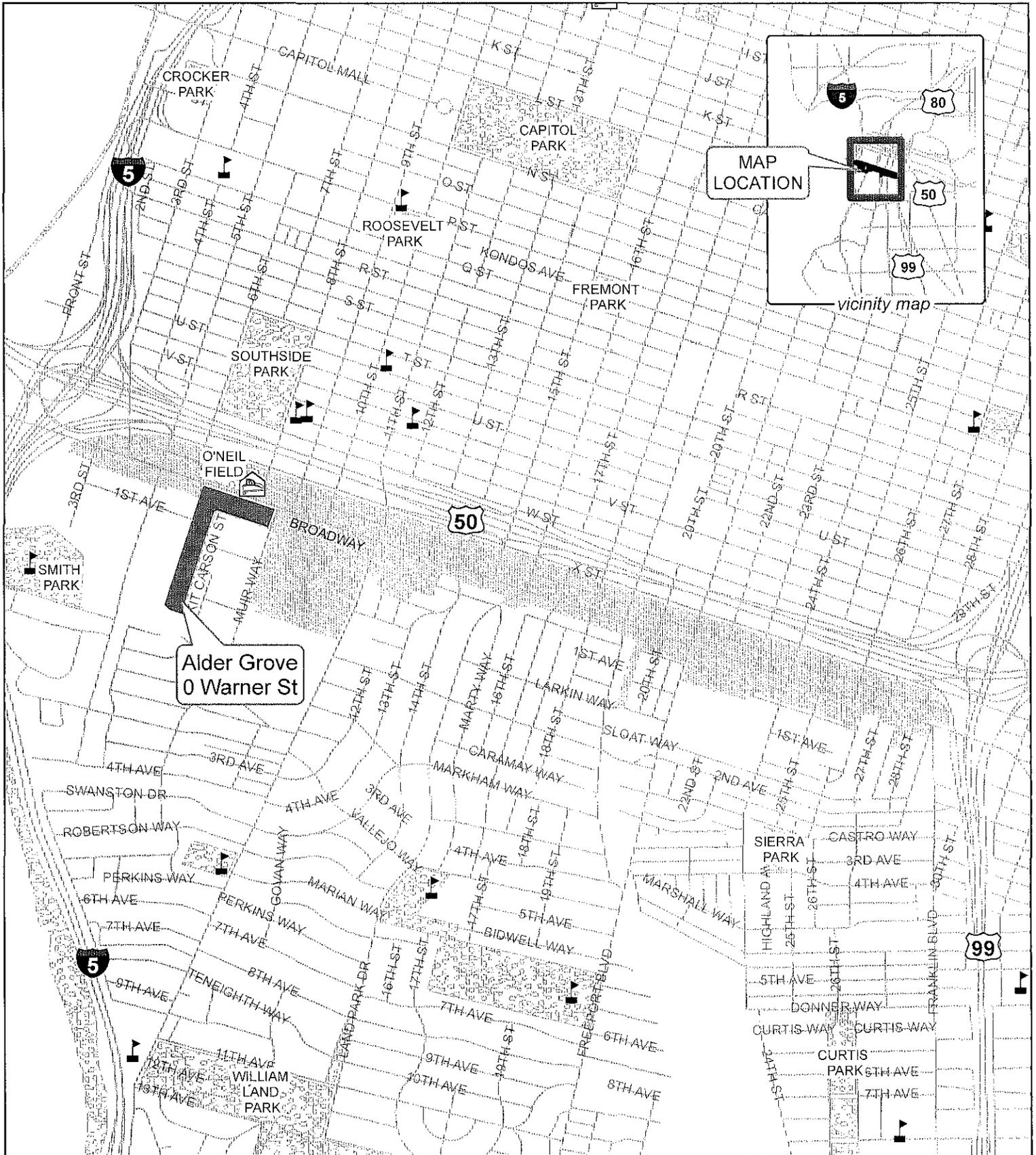
- Midtown PBID Renewal Boundary
- Park
- Housing Authority Owned Parcels
- School



SHRA GIS
February 29, 2012



Greater Broadway PBID Renewal

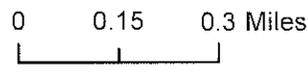


Alder Grove
0 Warner St

MAP
LOCATION

vicinity map

-  Greater Broadway PBID Renewal Boundary
-  Housing Authority Owned Parcel
-  Park
-  School
-  Fire Station



SHRA GIS
February 29, 2012



RESOLUTION NO. 2012 -

Adopted by the Housing Authority of the City of Sacramento

On date of

AUTHORIZATION TO PARTICIPATE IN THE RENEWAL OF THE GREATER BROADWAY PARTNERSHIP AND MIDTOWN SACRAMENTO PROPERTY AND BUSINESS IMPROVEMENT DISTRICTS

BACKGROUND

- A. The Greater Broadway Partnership has proposed the renewal of the Greater Broadway Partnership (GBP) Property and Business Improvement District (PBID) to fund activities which provide 1) Clean, Safe and Physical Enhancements; and 2) Economic Enhancements and the boundaries of the PBID would encompass the Housing Authority's Property.
- B. The Midtown Business Association has proposed the renewal of the Midtown Sacramento Property and Business Improvement District (PBID) to fund activities which provide: 1) Clean and Safe Programs; 2) Parking Services; and 3) Marketing and the boundaries of the PBID would encompass the Housing Authority's Property.
- C. The property and business owners within the Broadway commercial corridor propose to renew the GBP PBID for a ten year term under the Property and Business Improvement District Law of 1994, which is required by part 7 (beginning with section 36600) of division 18 in the California Streets and Highways Code.
- D. The property and business owners within the Midtown Sacramento area propose to renew the Midtown Sacramento PBID for a five year term under the Property and Business Improvement District Law of 1994, which is required by part 7 (beginning with section 36600) of division 18 in the California Streets and Highways Code.
- E. On January 31, 2012 the City designated the Housing Authority of the City of Sacramento as the local authority to retain the housing assets and functions previously performed by the Redevelopment Agency of the City of Sacramento.

- F. The proposed action does not constitute a project subject to environmental review under the California Environmental Quality Act (CEQA) per Guidelines Section 15378 (b) (4), which exempts government financing mechanisms that do not involve a commitment to any specific project from environmental review.
- G. As an administrative activity, this activity has been determined to be exempt under the National Environmental Policy Act (NEPA) Code of Federal Regulations sections 58.34(a)(1) and 8.34 (a)(3). The activity is also exempt under section 58.34(a)(4) as it is a maintenance and crime prevention activity.
- G. The Housing Authority owns and manages the following property within the Greater Broadway PBID: 009-0030-040-0000 – 0 Warner Street, Alder Grove.
- H. The Housing Authority owns and manages the following property within the Midtown Sacramento PBID:
007-0142-024-0000 – 1820 Capitol Avenue, Capitol Terrace
006-0125-014-0000 – 1725 K Street, Comstock
006-0125-011-0000 – 1725 K Street, Comstock
007-0096-002-0000 – 1107 23rd Street, Sierra Vista
007-0096-020-0000 – 1107 23rd Street, Sierra Vista
007-0096-021-0000 – 1107 23rd Street, Sierra Vista
- I. 1614 K Street (006-0124-011-0000) was purchased for residential purposes by the Redevelopment Agency. The property was developed in 1994 through a disposition and development agreement and a 55-year ground lease as a 134 unit affordable housing project with the adjacent parcel. The financing utilized low/moderate tax increment and housing trust funds. It is monitored and inspected annually for compliance with the regulatory agreement.
- J. The Housing Authority as the Successor Housing Agency to the Redevelopment Agency owns and leases the following within the Midtown Sacramento PBID: 006-0124-011-0000 – 1614 K Street, Pensione K .
- K. The public interest of Housing Authority residents will be served by having Housing Authority properties participate in the Greater Broadway and Midtown Sacramento PBIDs because there will be activities which enhance the safety, cleanliness, and economic vitality of the districts and housing authority owned property.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE HOUSING AUTHORITY RESOLVES AS FOLLOWS:

- Section 1. All evidence presented having been duly considered, the findings, as stated above, including the environmental findings, are approved.
- Section 2. The Executive Director, or her designee, is authorized to sign petitions, an assessment ballot and other related documents to further the renewal of the Greater Broadway and Midtown Sacramento PBIDs on behalf of the Housing Authority.
- Section 3. The Executive Director, or her designee, is authorized to pay the annual PBID assessment utilizing Conventional Housing funds. The Executive Director, or her designee, is authorized to pay the annual PBID assessment utilizing Conventional Housing funds for the following properties:
- 009-0030-040-0000 – 0 Warner Street, Alder Grove
 - 007-0142-024-0000 – 1820 Capitol Avenue, Capitol Terrace
 - 006-0125-014-0000 – 1725 K Street, Comstock
 - 006-0125-011-0000 – 1725 K Street, Comstock
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