



# City of Sacramento City Council

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**Meeting Date:** 5/29/2012

**Report Type:** Consent

**Title: Resolution of Intention: North Franklin Property and Business Improvement District (PBID) No. 2012-03**

**Report ID:** 2012-00179

**Location:** District 5

**Recommendation:** Pass a Resolution of Intention renewing North Franklin Property and Business Improvement District No. 2012-03

**Contact:** Sini Makasini, Administrative Analyst, (916) 808-7967, Mark Griffin, Program Manager, (916) 808-8788, Finance Department

**Presenter:** None

**Department:** Finance

**Division:** Public Improvement Finance

**Dept ID:**

**Attachments:**

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- 1-Description/Analysis
- 2-Background
- 3-Resolution\_Intention to Renew
- 4-Exhibit C Management District Plan

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### **City Attorney Review**

Approved as to Form  
Jeffrey Heeren  
5/11/2012 11:19:58 AM

### **City Treasurer Review**

Reviewed for Impact on Cash and Debt  
Russell Fehr  
5/7/2012 10:24:47 AM

### **Approvals/Acknowledgements**

Department Director or Designee: Leyne Milstein - 5/10/2012 1:16:19 PM

## Description/Analysis

**Issue:** The property owners within the Franklin Boulevard commercial corridor propose to renew the North Franklin Property and Business Improvement District (PBID) for a ten (10) year term. Approval of the Resolution of Intention to renew the District will set the time and place for the Public Hearing on the renewal of the District and the proposed assessment, and authorize staff to mail notices to all property owners within the District.

**Policy Considerations:** The goal of the District is to provide services to promote clean, safe, and economic enhancements of the Franklin Boulevard commercial corridor in an effort to increase business development and revenue. The City would continue its current participation as the owner of one parcel in the District (Joseph E. Rooney Police Station).

### 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 Considerations:** 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 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 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 District assessment budget for FY2012/13 is approximately \$141,274 as shown on Exhibit B. If this District is renewed, the City of Sacramento will be participating as a property owner in the District. The City owns one assessed parcel within the District and will have a total first-year annual assessment of approximately \$1,124, a decrease of approximately \$2,286 from the current year. The City did not absorb any Redevelopment Agency parcels within the District.

Funds are currently budgeted for continued participation in the District. Future assessment rates may be subject to an increase of no more than 5% annually.

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



## BACKGROUND

The North Franklin PBID (District) was approved by City Council on July 24, 2007, in accordance with the PBID Area Law of 1994, and became effective on January 1, 2008. The property owners within the District would like to renew the District for a ten (10) year term.

The District provides funding for maintenance services and safe programs, advocacy/marketing promotion with the intent of continuing to create a positive business atmosphere in the District.

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.

Annual assessments are based upon an allocation of program costs by assessable linear frontage, assessable lot square footage and assessable building square footage (not to exceed 25,000 square feet per parcel. This methodology allocates assessments to property characteristics that benefit from the services being funded as follows;

Methodology	Benefit
Assessable Linear Frontage	Sidewalk Operations, Beautification and Order
Assessable Lot Square Footage	Program Management, Corporate Operations , Fees and Contingency
Assessable Building Square Footage	District Identity

The assessment for each parcel proposed for the District is shown in Section 7 of the Plan attached hereto as Exhibit C. Assessment rates may be subject to an increase of no more than 5% per year.

### North Franklin PBID FY2012/13 Budget

Program Category	Budget	% of Total
Sidewalk Operations, Beautification and Order	\$59,000.00	41.00
Program Management, Corporate Operations	\$57,000.00	40.00
District Identity	\$15,000.00	11.00
City/County Fees	\$8,000.00	6.00
Contingency	\$2,274.00	2.00
<b>Total</b>	<b>\$141,274.00</b>	<b>100.00</b>

A schedule of proceedings for the renewal of the District is as follows on the next page:

**SCHEDULE OF PROCEEDINGS  
NORTH FRANKLIN PBID  
PROPERTY AND BUSINESS IMPROVEMENT DISTRICT #2012-03**

March 20, 2012      City Manager Signature Authority – City Council

April 23, 2012      Petition Drive – Kick-off

May 15, 2012      Receive Signed Petitions

<b>May 29, 2012</b>	<b>Resolution of Intention to Renew – City Council</b>
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May 30, 2012      Record Boundary Map, Mail Ballots, Publish Notice of Hearing

July 24, 2012      Public Hearing – City Council

July 31, 2012      Ballot Results – City Council

August 1, 2012      Record Notice of Assessment and Assessment Diagram

August 2012      Assessment Roll to County



## **RESOLUTION NO.**

Adopted by the Sacramento City Council

### **INTENTION TO RENEW THE NORTH FRANKLIN PROPERTY AND BUSINESS IMPROVEMENT DISTRICT**

#### **BACKGROUND:**

- A.** Attached hereto and incorporated herein by this reference as Exhibit C is the North Franklin PBID No. 2012-03 (“District”) Management District Plan (“Plan”), which provides for advocacy, economic development and marketing efforts, security patrol, maintenance and beautification efforts with the intent of increasing the commercial activity and overall image of the Franklin Boulevard commercial corridor.
- B.** The City owns the following property within the proposed District:  
  
022-0221-036-0000
- C.** The property owners of the properties within the District have submitted petitions asking that the City Council renew the District. Included with each petition was a Plan summary and a map showing the boundaries of the District (Proposed District Map). The Proposed District Map is entitled “North Franklin Property and Business Improvement District 2012-03.” The petitions, the Proposed District Map, and the Plan are on file with the Public Improvement Financing (“PIF”) of the Department of Finance, designated by the City Clerk to be the repository of documents associated with special districts.
- D.** The City Council finds that the City has received the petitions signed by the property owners in the proposed District who will pay more than 50 percent of the proposed total assessment. The City Council thus accepts the petitions and intends to establish the District and to levy an assessment on real property within the District Boundaries in accordance with the Property and Business Improvement District Law of 1994 (“PBID Law”) and Sacramento City Code Section 3.92.050.
- E.** At the direction of the City Council, the Fiscal Manager of PIF for the proceedings for renewal of this District has filed the Plan with PIF, which was prepared in accordance with the provisions of Streets and Highways Code Section 36622.
- F.** The City Council finds that the Plan satisfies all of the requirements of Streets and Highways Code Section 36622. The Plan proposes to fund maintenance and security services, advocacy/marketing promotion with the intent of increasing the commercial activity and overall image of the Franklin Boulevard commercial corridor. These improvements and activities are funded through the levy of a benefit assessment on real property within the PBID.

**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 recitals set forth above are true.
- Section 2.** The City Council finds that the property owners representing over 50% of the total assessment amounts, signed the petitions requesting the renewal process be undertaken. The City Council thus accepts the petitions and intends to renew the District and to levy an assessment on real property within the District boundaries in accordance with the PBID Law and Sacramento City Code section 3.92.050. In the first year of the ten year term, the proposed assessment is approximately \$141,274 as shown on Exhibit B.
- Section 3.** The City Council finds that the Plan satisfies all requirements of Streets and Highway Code sections 36622 and 36660. The City Council preliminarily approves the Engineer's Report within the Plan.
- Section 4.** The exterior boundaries of the District are shown on the Proposed District Map attached to this resolution as Exhibit A.
- Section 5.** No bonds will be issued for the District.
- Section 6.** The time and place for the public hearing on the renewal of the District and the proposed assessment is set for July 24, 2012, at 6:00 p.m. in the City Council Chambers, New City Hall, 915 "I" Street (first floor), Sacramento, California. The City Council may continue the public hearing from time to time.
- Section 7.** The City Clerk is directed to give notice of the time and place of the public hearing in accordance with Streets and Highways Code section 36623. The City Clerk is to do this by mailing (or causing to be mailed) written notices and assessment ballots in the time, form, and manner provided by Government Code section 53753 to all persons who own real property that is within the District and will be subject to the proposed assessment. The forms of the notices and ballots must be approved by the City Attorney. The City Clerk is further directed to file an affidavit with the City Council when all notices and ballots have been mailed, setting forth the time and manner of her compliance with the requirements of law for mailing the notices and ballots.
- Section 8.** At the public hearing, the City Council will consider all objections or protests to the proposed assessment, and any interested person will be permitted to present written or oral testimony. At the conclusion of the public hearing, all ballots submitted and not withdrawn will be tabulated in accordance with Government Code section 53753.

**Table of Contents:**

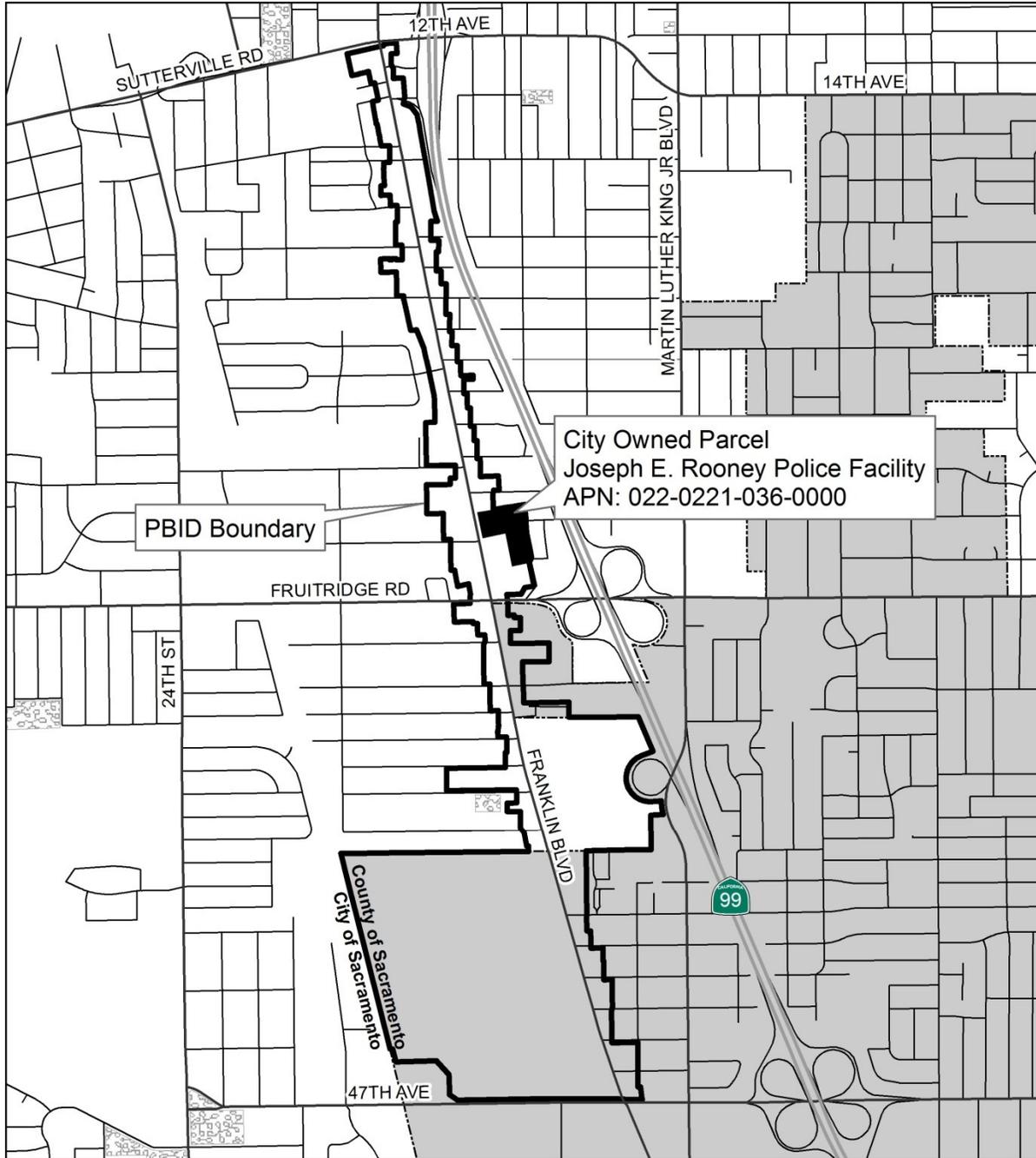
Exhibit A: Proposed District Map

Exhibit B: Proposed District Budget and Parcel Assessment

Exhibit C: Management District Plan

# EXHIBIT A

## North Franklin Property and Business Improvement District No. 2012-03



**EXHIBIT B**

**NORTH FRANKLIN  
PROPERTY AND BUSINESS IMPROVEMENT DISTRICT, FUND 2217  
FY2012/13 DISTRICT BUDGET**

Estimated Beginning Fund Balance	\$0
Total Assessed to Property Owners	\$141,274
	<u>\$141,274</u>
	<u>\$141,274</u>
PBID Activities	
Estimated Disbursement	\$137,284
Administrative Costs	
Public Improvement Financing	
Administration	\$2,735
Parcel reporting	\$155
Accounting	
Administration	\$966
County Billing	\$134
	<u>\$134</u>
	<u>\$141,274</u>
Estimated Ending Fund Balance	<u>\$0</u>
Year-Over-Year Change in Fund Balance	<u>\$0</u>

**Parcel Assessment**

<i>Property Variable</i>	<i>Benefit Zone 1</i>	<i>Benefit Zone 2</i>	<i>Benefit Zone 3</i>	<i>Benefit Zone 4</i>
Linear Frontage	\$ 2.69	\$ 4.14*	\$ 3.74*	\$0.00
Lot Square Footage	\$0.02	\$0.00	\$0.00	\$0.00
Building Square Footage	\$0.037732	\$0.00	\$0.00	\$0.00
Residential Condo Building Square Footage	\$0.00	\$0.00	\$0.00	\$.30 per building square foot



EXHIBIT C

# THE NORTH FRANKLIN RENEWED PROPERTY BUSINESS IMPROVEMENT DISTRICT No. 2012-03 MANAGEMENT DISTRICT PLAN

North Franklin District, Sacramento

*Formed Under California Streets and Highway Code Section 36600  
Property Business Improvement District Act of 1994*

May 21, 2012

Prepared by:  
New City America, Inc.  
and the  
North Franklin District Business Association  
PBID Renewal Committee



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### Attachment

- A. Engineer's Report

# Section 1

## Management District Plan Summary

The name of this renewed Property Business Improvement District is the North Franklin Property Business Improvement District (the “PBID”). The District is being renewed pursuant of the Section 36600 et seq. of the California Streets and Highways Code, the Property and Business Improvement District Law of 1994 as hereinafter referred to as the Act

Developed by the North Franklin District Business Association PBID Renewal Committee – this Management District Plan is proposed to continue to improve and provide special benefits to individual parcels located within the boundaries of the current 2008 North Franklin Boulevard Property Business Improvement District (PBID). The proposed renewed PBID will provide continued special benefit district improvements and activities, including cleaning, security, beautification and other special benefit programs to parcels within the boundaries of the current district.

The current North Franklin PBID serves to improve the individual parcels, attract new customers to their businesses, increase sales, increase occupancies and enhance the benefitting individual parcels within the district. The proposed renewed North Franklin PBID will continue these special benefit services and will add new services including security, additional sidewalk cleaning and landscaping services. The proposed PBID seeks to fund the special benefits that will be provided over the next ten years, based upon keeping the existing PBID area clean, safe, orderly, attractive, well marketed with special events and programs, and increase commerce within the boundaries.

### **Boundaries:**

See Section 2, page 10 and the District map on pages 9-12. The Boundaries of the renewed PBID shall remain consistent with the current boundaries of the PBID adopted in 2008. Within those boundaries, there are 171 total parcels with 156 assessable parcels.

### **Budget:**

The total first year North Franklin PBID budget is approximately \$ 141,274.00. Please see Section 3 for a breakdown of the categories of special benefit services and their allocation of services by Benefit Zone.

### **Improvements Activities and Services of the North Franklin PBID Plan:**

There are five basic categories of special benefit services that will be funded with this North Franklin PBID. All of these services will confer a special benefit to the individual parcels within the North Franklin PBID. The categories of special benefits are as follows:

1. **Sidewalk Operations, Beautification and Order:** this includes all sidewalk cleaning services, sidewalk steam cleaning services, graffiti removal, trash removal, and private security services. These services equal \$ 59,000.00 or 42% of the first year annual budget of the renewed district. (Order is mentioned in this category since people normally do not witness criminal activity, but rather the orderliness of a district including ensuring that there is no trash on the ground, no graffiti and the lack of vagrancy or panhandling.)
2. **District Identity:** These services include the newsletter, branding, publicity, special events, marketing and promotions, web site development and maintenance, and holiday decorations. These services equal \$ 15,000.00 or 11% of the first year annual budget of the renewed district.
3. **Program Management and Corporate Operations.** These services equal \$57,000.00 or 40% of the first year annual budget of the renewed district.
4. **Contingency/Reserve.** This fund equals \$ 2,274.00 or 2% of the first year annual budget of the renewed district. This contingency anticipates a “historic” non-payment rate percentage of around 2%.
5. **City/County Fees:** The City and County of Sacramento will charge the PBID Owners’ Association a specific fee for the collection process. If a surplus exists in the contingency budget, the Board can reallocate those funds to other budget line items. We have set aside \$8,000.00 or 5% of the budget for these annual fees.

Table 1 – A

<b>Name of Program or Category of Service</b>	<b>Percent of First Year Annual Budget</b>	<b>Estimated First Year Costs of Special Benefit Services</b>
Sidewalk Operations, Beautification and Order	42%	\$ 59,000.00
District Identity	11%	\$ 15,000.00
Program Management, Corporate Operations	40%	\$ 57,000.00
Contingency	2%	\$ 2,274.00
City/County Fees	5%	\$ 8,000.00
<b>Total First Year Budget</b>	<b>100%</b>	<b>\$ 141,274.00</b>

Demands for prioritization of one special benefit need over another within the same category above will occur year by year. Security may be a priority one year, however enhanced sidewalk sweeping may be a priority another year. Both of these services fall within the same special benefit category. This plan proposes percentages for groups of services with the intent that

they will provide district individual parcels with an understanding of the portion of the budget allocated to fund those services, while simultaneously giving the Owners’ an understanding of the proportional benefit they will receive. Category actual costs may vary from year to year; per service category, so budget line items may vary by up to 10% .

**Method of Financing:**

The financing of the PBID is based upon a the levy of special assessments upon real property that receive special benefits from the improvements and activities. See Section 4 for assessment methodology and compliance with Proposition 218. There will be four factors used in the determination of proportional benefit to the parcels in the PBID. Those four factors are linear frontage, lot size, building square footage (under 25,000 square feet) and residential condos yet to be built in the PBID area.

**Benefit Zones:**

State law and the State constitution, Article XIID require that special assessments be levied according to the special benefit each individual parcel receives from the improvements. In an alteration to the current 2008 PBID Management District Plan, there will be four new benefit zones assessing individual parcels various rates based upon the benefits the Zone’s individual parcels will receive. There are 137 parcels with 136 assessable in Zone 1, 33 parcels with 19 assessable parcels in Zone 2 and 1 parcel in Zone 3. There are currently no parcels in Benefit Zone 4.

Please see Section 2 and the map on page 11-14 for identification of the separate benefit zones. The three benefit zones will generate approximately the following amount and percentage for the first year of the proposed North Franklin PBID:

<i>Benefit Zone</i>	<i>First Year Annual Contribution to overall district</i>	<i>First Year Percentage of total renewed PBID budget</i>
1	\$ 117,748.00	83%
2	\$ 6,610.00	5%
3	\$ 16,916.00	12%
4	0%	0%
<b>Total</b>	<b>\$ 141,274.00</b>	<b>100%</b>

**Cost:**

Annual assessments are based upon an allocation of program costs by assessable linear frontage, assessable lot square footage, assessable building square footage (not to exceed 25,000 square feet per parcel) and assessable family residential condo building square footage, (if and when built in the district). Though no residential condos currently exist in the proposed

renewed district, it is proposed that an alternate assessment methodology be created that will respond to their special needs as homeowners within this growing commercial corridor. All four property variables, including an individual parcel's location within a specific benefit zone will be used in the calculation of the annual assessment. Any Benefit Zone 1 individual parcel shall not be assessed for any building square footage greater than 25,000 square feet due to the fact that they will not receive any tangible marketing and district identify special benefits for square footage larger than that size.

The 2013 year assessments per assessment variable and benefit zone will be altered as the assessment methodology has changed in this new plan.

<i>Property Variable</i>	<i>Benefit Zone 1</i>	<i>Benefit Zone 2</i>	<i>Benefit Zone 3</i>	<i>Benefit Zone 4</i>
Linear Frontage	\$ 2.69	\$ 4.14*	\$ 3.74*	\$0.00
Lot Square Footage	\$0.02	\$0.00	\$0.00	\$0.00
Building Square Footage	\$0.037732	\$0.00	\$0.00	\$0.00
Residential Condo Building Square Footage	\$0.00	\$0.00	\$0.00	\$.30 per building square foot

**Benefit Zone 1 parcels** will pay all property variables (linear frontage, lot size and linear frontage since these parcels will receive the full amount of special benefit services. The assessment methodology has been created to ensure proportional benefit – that is that a property variable has been identified to fund a particular special benefit that specifically confers a special benefit to that property variable. Linear frontage shall fund sidewalk operations services, building square footage, under 25,000 square feet, shall fund district identity services and the parcel lot size will fund the administrative, city fees and contingency costs.

**Benefit Zone 2 and 3 parcels** will only receive Sidewalk Operations (cleaning and sidewalk operations services and some District Identity services in the form of the banner program and listing in the Community Directory and web site. The higher linear frontage costs include the \$2.69 per linear foot, which funds the sidewalk operations special benefits , plus an additional cost for program management costs, since building square footage and lot size are not assessed in Zone 2 and 3 parcels. The funds generated from the higher linear frontage costs in Zone 2 will contribute to the program management and contingency, City/County costs of the district. The funds generated from the higher linear frontage costs in Zone 3 (Campbell's) will

contribute to the program management and contingency, City/County costs as well as some minor District Identity costs in the District.

**Benefit Zone 4 parcels** currently don't exist in the PBID boundaries but are anticipated to be built within the boundaries of the district in the next 10 years. Benefit Zone 4 parcels are residential condos, which will only be assessed for their parcel building square footage, not for linear frontage, or lot size. The actual condo building square footage will fund the sidewalk operations services, administration services and city fees plus contingency.

### **Tax-exempt Parcels**

The 1994 Law, in Section 36622(k), states that the Management District Plan, *“may provide that all or any class or category of real property which is exempt by law from real property taxation may nevertheless be included within the boundaries of the district but shall not be subject to assessment on real property.”*

Real property which is partially tax-exempt shall be assessed in equal proportion to its exemption; e.g. if a parcel is 50% tax-exempt, it will pay 50% of the assessment rate for its benefit zone and classification. Real property which is fully tax-exempt and has not submitted a signed statement agreeing to be assessed will not be assessed. Real property which is fully tax-exempt and has submitted a signed statement agreeing to be assessed will be assessed at the corresponding rate for its zone and classification.

Real property which is tax-exempt and does not pay the district assessment shall not receive, nor benefit from, any of the district's services. Fully tax-exempt parcels which have submitted signed statements and are paying the full assessment rate for their zone and classification shall receive and benefit from all of the district's services for their benefit zone and classification. Partially tax exempt parcels shall receive and benefit from the services provided to their zone and classification proportionally to the amount of assessment paid by each parcel.

### **Exemptions:**

The PBID Act of 1994 states that in Section 36632(c)

*Properties zoned solely for residential use, or that are zoned for agricultural use, are conclusively presumed not to benefit from the improvements and service funded through these assessments, and shall not be subject to any assessment pursuant to this part.*

Special benefit services may be provided to these residentially zoned exempted parcels, within the boundaries of the renewed PBID, to ensure that the special benefits conferred to the overall district are consistent and do not detract from the image, appearance and resulting new commerce to the non-residential parcels within the renewed PBID. Special benefit services will not be provided to any parcels outside of the boundaries of the district. If these single family residentially zoned parcels are converted to commercial zoning within the term of the PBID,

they will begin to be assessed their proportional assessments consistent with this Management District Plan.

**Cap:**

The PBID budget and assessments may be subject to changes in the Consumer Price Index (CPI) for the San Francisco All Urban Users from February to February, with annual increases not to exceed 5% per year. Increases will be determined by the Owners' Association and will vary between 0% and 5% annually. Changes in land use, development of empty parcels, conversion of tax exempt to profitable land uses, demolition of existing buildings in Benefit Zones 1 and 2, and creation of new parcels through new building or condo development may alter the budget from year to year based upon the changes in the building square footage of an individual parcels. Since linear frontage and lot size normally are not altered in the redevelopment of a site, the only changes will be realized in the Benefit Zones 1 and 2 through the building square footage amount and costs of the individual parcel, based upon which Benefit Zone it is located within. Zone 2 is not affected because it is assessed only on linear frontage, however a parcel within Zone 2 (tax exempt) may be affected and be assessed lot size and building square footage if, during the life of the PBID, that tax exempt parcel is put onto the tax rolls and taxed as a private parcel. In addition, changes in the budget may occur due to the conversion of single parcels to multiple parcels due to the construction of residential or commercial condos.

**Bonds**

The District will not issue any bonds related to any program.

**District Formation:**

The District renewal and modification requires a submission of petitions from property owners representing more than 50% of the total assessments. Once the City verifies the petitions, the City Council adopts a Resolution of Intention to mail out ballots to all affected property owners. The City holds a public hearing and tabulates the ballots. The District is formed if the weighted majority of all returned ballots support the District formation and if the City Council approves the proposed PBID.

**Duration:**

The North Franklin PBID shall have a ten-year term which shall commence on January 1, 2013 and expire on December 31, 2022.

**Governance:**

Pursuant to the Property and Business Improvement District Law of 1994, the Owners' Association (the PBID governing board) will review District budgets and policies annually within the limitations of the Management District Plan. The Owners' Association will file Annual Reports with the City of Sacramento (City) and oversee the day-to-day implementation of services as defined in the Management District Plan.

## Section 2

# North Franklin Property Business Improvement District Boundaries

**Boundaries:** The following text will define the updated boundaries of the North Franklin PBID.

General Description of the Proposed Boundaries: Parcels in the commercial corridors of the North Franklin PBID will include as follows:

- Northern Boundary: The two parcels on the south side of Sutterville Road/12<sup>th</sup> Avenue, the southwest and southeast corner parcels of the intersection of North Franklin Boulevard and Sutterville/12<sup>th</sup> Avenue. (Parcels 019-0010-01 and 020-0011-01).
- Southern Boundary: The two parcels on the north side of 47<sup>th</sup> Avenue on the northeast and northwest corners of the intersection of 47<sup>th</sup> Avenue and Franklin Boulevard. (Parcels 036-0010-008/Campbell’s Soup Plant, and parcel 037-0243-024).
- Western Boundary: The most western side of all of the parcels running along Franklin Boulevard from Sutterville Road on the north to 47<sup>th</sup> Avenue on the south.
- Eastern Boundary: The most eastern side of all of the parcels running along Franklin Boulevard from Sutterville Road on the north to 47<sup>th</sup> Avenue on the south.

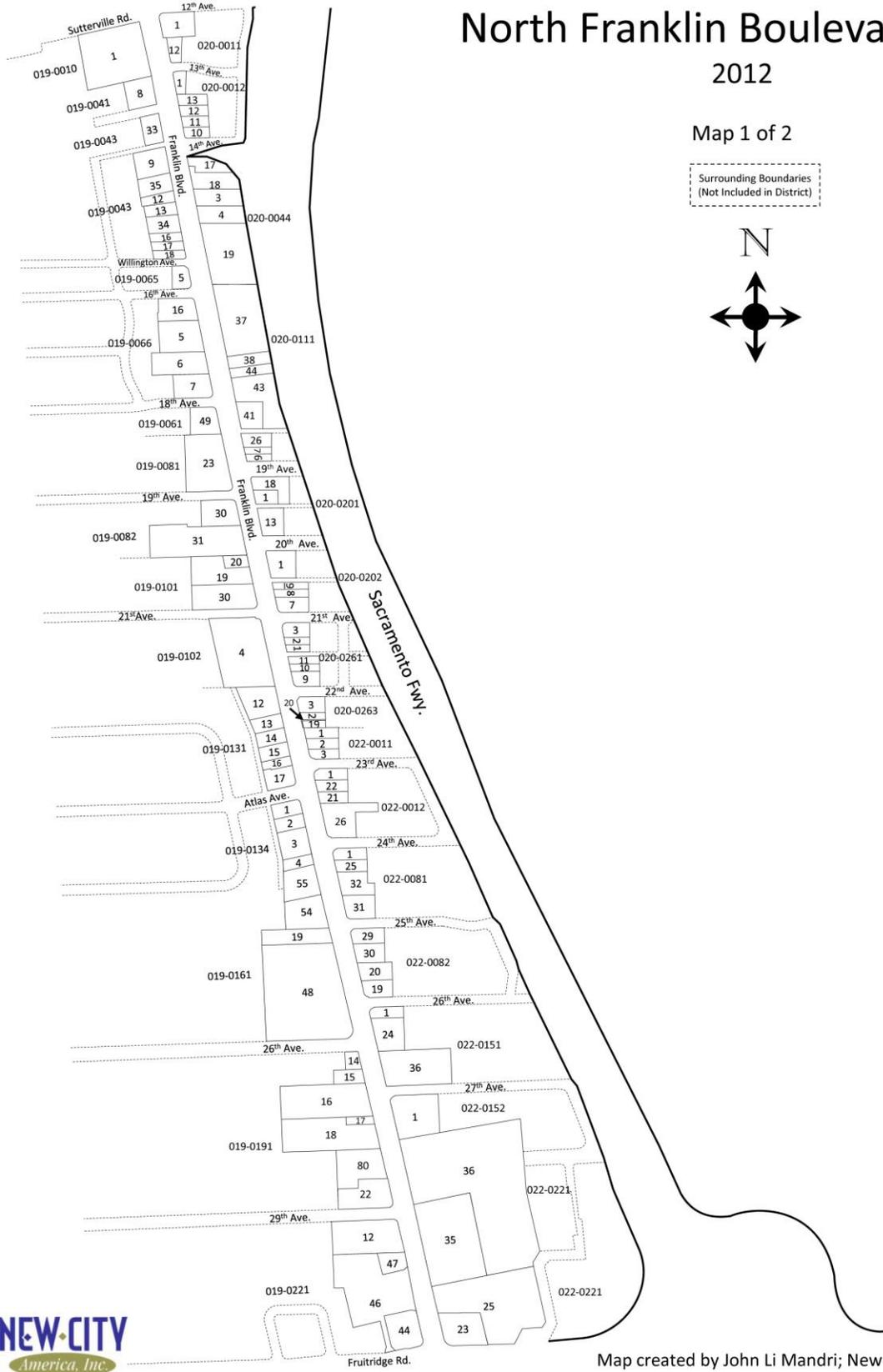
### District Boundary Rationale

The property uses within the general boundaries of the North Franklin Boulevard Renewed Property Business Improvement District are a mix of retail, commercial, office, industrial, ecumenical, civic, educational and parking. Services and improvements provided by the District are primarily designed to provide special benefits to the retail and commercial land uses and eventually including condo residential unit parcels once they are built within the boundaries of the District. The assessment methodology has been created to provide adequate funding for the varying special benefit needs of these various land uses.

# North Franklin Boulevard PBID 2012

Map 1 of 2

Surrounding Boundaries  
(Not Included in District)

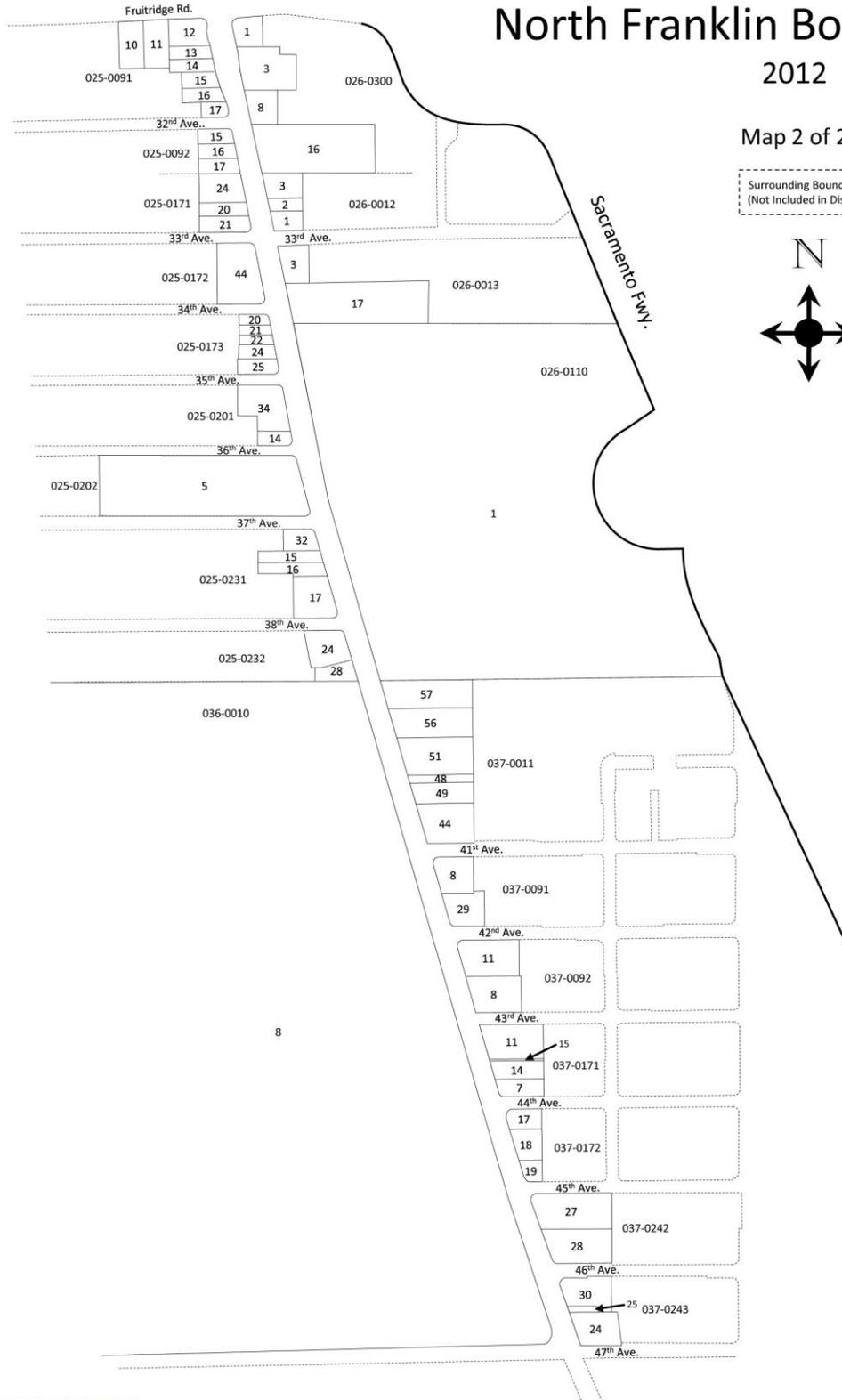


Map created by John Li Mandri; New City America Inc.

# North Franklin Boulevard PBID 2012

Map 2 of 2

Surrounding Boundaries  
(Not Included in District)



Map created by John Li Mandri; New City America Inc.

# North Franklin Boulevard PBID Benefit Zone Map 2012

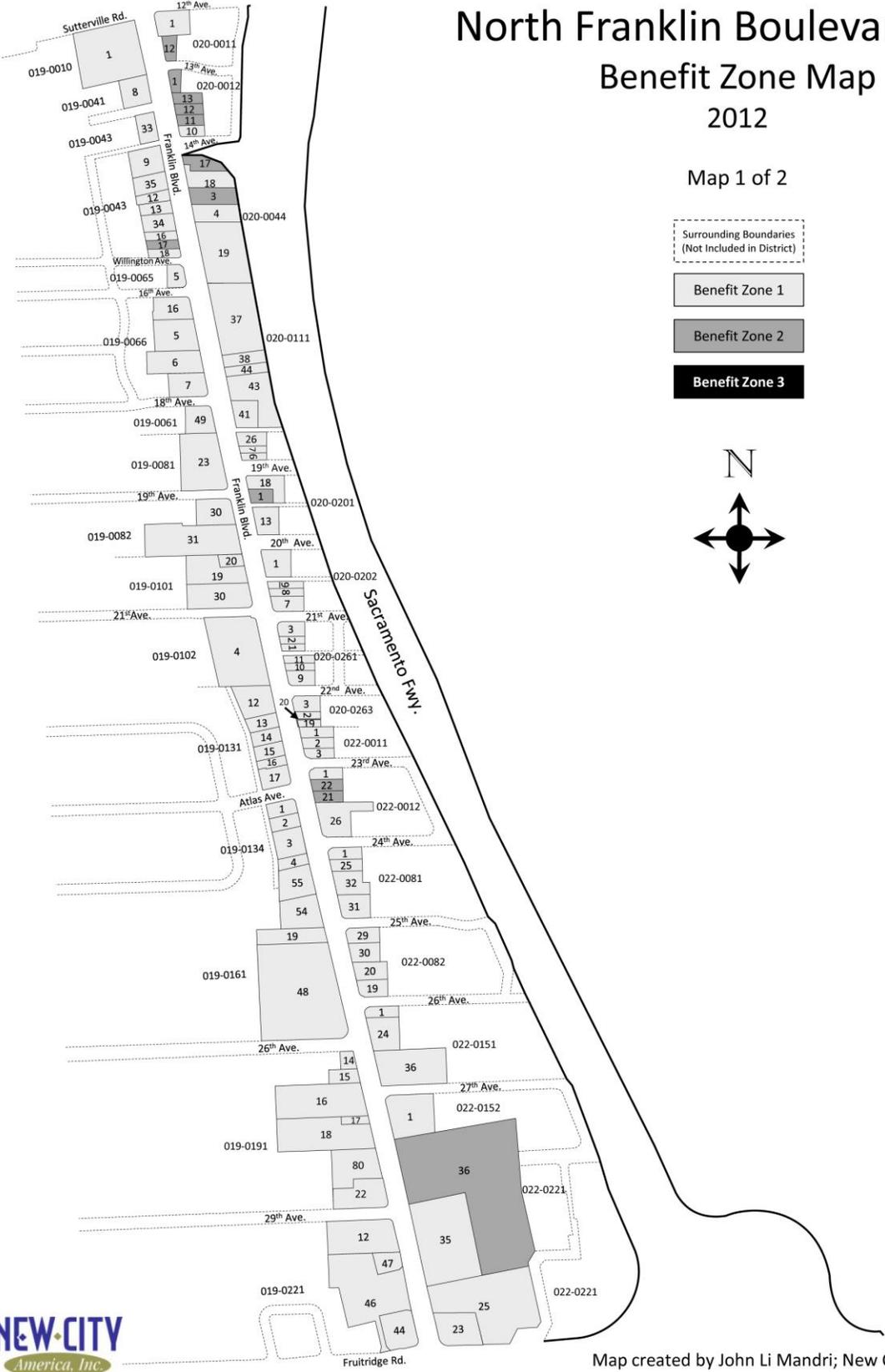
Map 1 of 2

Surrounding Boundaries  
(Not Included in District)

Benefit Zone 1

Benefit Zone 2

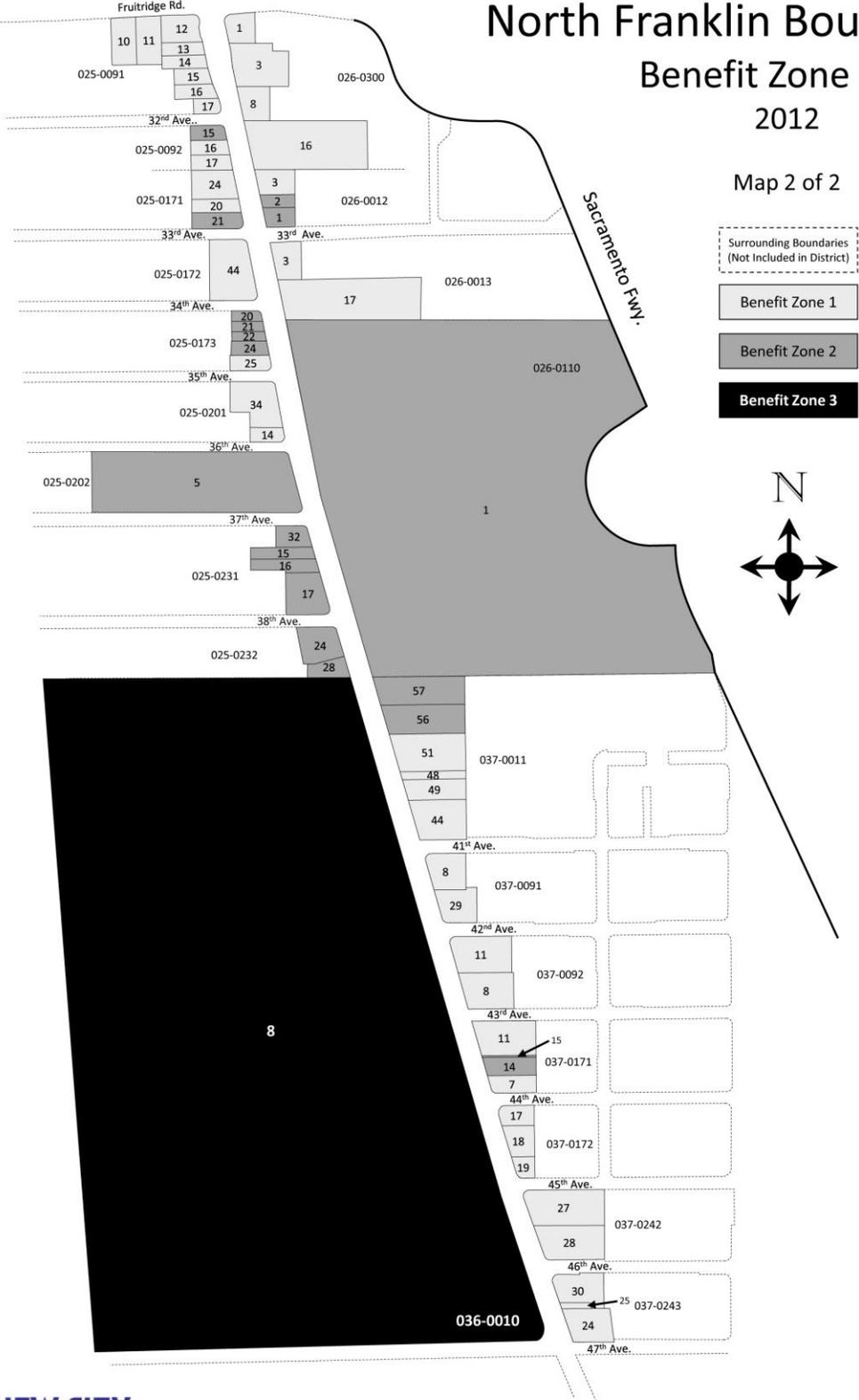
**Benefit Zone 3**



Map created by John Li Mandri; New City America Inc.

# North Franklin Boulevard PBID Benefit Zone Map 2012

Map 2 of 2



Map created by John Li Mandri; New City America Inc.

## Section 3

### District Improvement and Activity Plan

#### Process to Establish the Improvement and Activity Plan

A series of meetings were held, authorized by the Board of the North Franklin District Business Association, to review the existing Management District Plan and construct a new plan based upon the next phase of the growth of the district. Meetings among the business and property owners of the North Franklin PBID Renewal Committee took place on the following dates:

- July 7<sup>th</sup>, 2011;
- August 4<sup>th</sup>, 2011;
- September 20<sup>th</sup>, 2011;
- October 19<sup>th</sup>, 2011;
- November 3<sup>rd</sup>, 2011;
- November 30<sup>th</sup>, 2011

All of the improvements and activities detailed below, are provided only to properties defined as being within the boundaries of the District and provide special benefit to the property owners of those properties within the proposed District. No improvements or activities are provided to properties outside the District boundaries. All benefits derived from the assessments outlined in this Management District Plan fund services directly benefiting the property owners in this special benefit district. Inasmuch as all services will be provided to the properties defined as being within the District boundaries and no services will be provided outside the District boundaries any potential general benefits are intangible and not quantifiable.

All benefits derived from the assessments outlined in the Management District Plan are for services directly benefiting the property, business owners and residents within this area and support increased commerce, business attraction and retention, retained and increased commercial property rentals, enhanced safety and cleanliness in the District, improved District identity, and eventually specialized beautification and enhanced programs for the condo residential unit parcels (when built) within the District.

The total improvement and activity plan budget for 2012 - 2013, which is funded entirely by property assessments in the boundaries, is projected at \$141,274.00. The costs of providing each of the budget components was developed from actual experience obtained in providing these same services in similar districts throughout the State of California as well as the costs of providing the services over the past three years in the existing North Franklin PBID.

The North Franklin PBID Renewal Committee has prioritized the following categories of special benefit services for the new District. The categories of special benefit services provide enough

clarity to property owners to understand the intent of the budget category, however give the Owners' Association the flexibility it needs to allocate the services based upon the changing needs of the district from year-to-year within each budgeted category. The following category of special benefit services shall only be provided to parcels within the District.

1. **Sidewalk Operations, Beautification and Order:** this includes all sidewalk cleaning services, sidewalk steam cleaning services, graffiti removal, trash removal, and private security services. These services equal \$59,000.00 or 42% of the first year annual budget of the renewed district. (Order is mentioned in this category since people normally do not witness criminal activity, but rather the orderliness of a district including ensuring that there is no trash on the ground, no graffiti and the lack of vagrancy or panhandling.)
2. **District Identity:** These services include the newsletter, branding, publicity, special events, marketing and promotions, web site development and maintenance, and holiday decorations. These services equal \$15,000.00 or 11% of the first year annual budget of the renewed district.
3. **Program Management and Corporate Operations.** These services equal \$57,000.00 or 40% of the first year annual budget of the renewed district.
4. **Contingency/Reserve.** This fund equals \$ 2,274.00 or 2% of the first year annual budget of the renewed district. This contingency anticipates a "historic" non-payment rate percentage of around 2%.
5. **City/County Fees:** The City and County of Sacramento will charge the PBID Owners Association a specific fee for the collection process. If a surplus exists in the contingency budget, the Board can reallocate those funds to other budget line items. We have set aside \$8,000.00 or 5% of the budget for these annual fees.

**Special Benefit Categories of the Improvements, Activities Services:**

The following identify the groups or categories of services that may be employed during the life of the district. This approach allows the North Franklin Boulevard Business Association to prioritize the type of service, within each of the categories, needed on a year to year basis, based upon pre-determined need for the PBID.

**SIDEWALK OPERATIONS , BEAUTIFICATION, AND PARKING DISTRICT :                    \$ 59,000.00                    42%**

Examples of these special benefit services and costs include, but are not limited to:

- Private security over and above those services currently provided by the Sacramento City Police and the Sacramento County Sheriff's Departments
- Regular sidewalk and gutter sweeping

- Regular sidewalk steam cleaning
- Beautification throughout the district
- Enhanced trash emptying
- Timely graffiti removal, within 24 hours as necessary
- Tree and vegetation maintenance
- Special events maintenance and security

**DISTRICT IDENTITY:** **\$ 15,000.00** **11%**

Examples of these special benefit services and costs include, but are not limited to:

- Web site development and updating
- Brochures
- Advertising
- Annual Holiday parade
- Special Events
- Holiday decorations
- Branding of North Franklin District
- Banner programs
- Public art displays
- Logo development
- Public space design and work
- Signage

**PROGRAM MANAGEMENT AND CORPORATE OPERATIONS:** **\$ 57,000.00** **40%**

Examples of these special benefit services and costs include, but are not limited to:

- Staff and administrative costs
- Insurance
- Office related expenses
- Rent
- Financial reporting and accounting
- Legal work

**CONTINGENCY/RESERVE:** **\$ 2,274.00** **2%**

Examples of these special benefit services and costs include, but are not limited to:

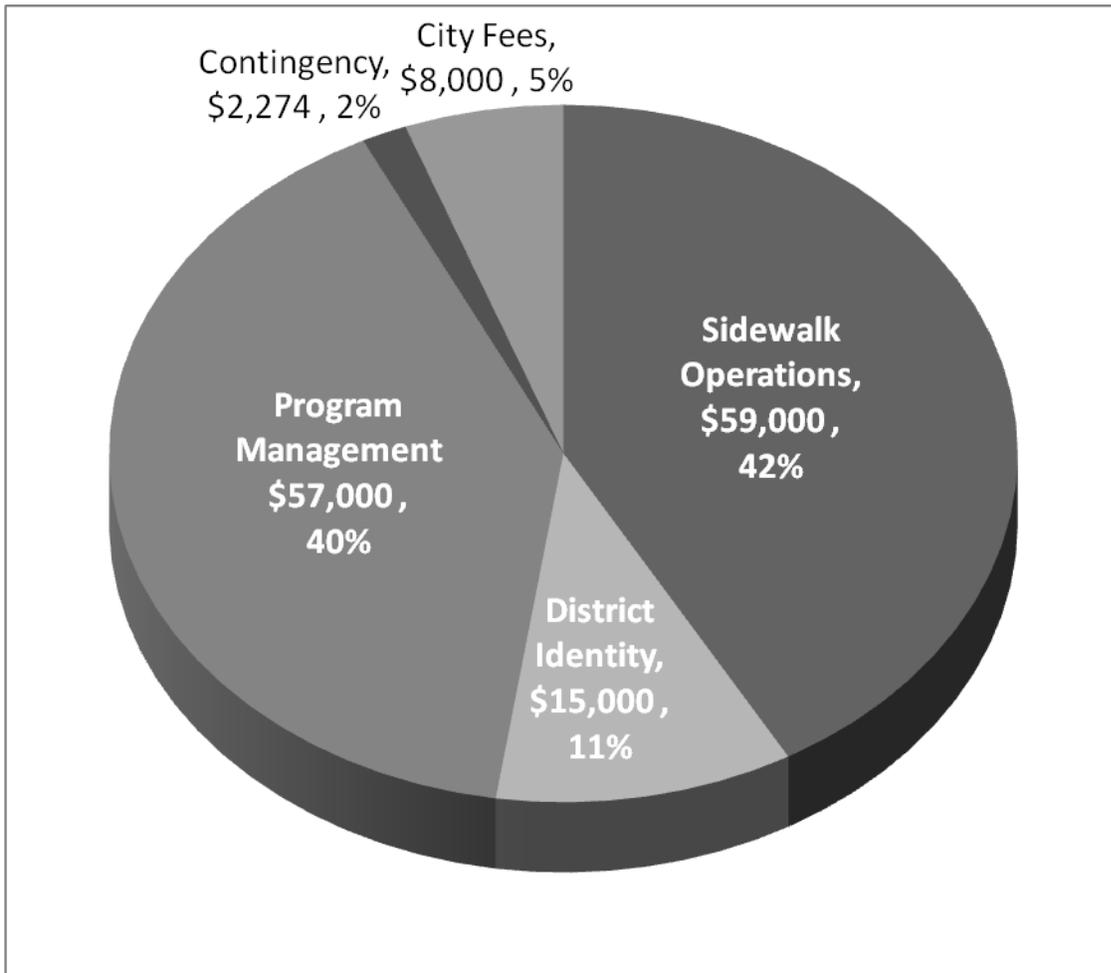
- Delinquencies
- Reserves

**CITY/COUNTY FEES:** **\$ 8,000.00** **5%**

Examples of these special benefit services and costs include, but are not limited to:

- City administration costs
- County costs

North Franklin  
Renewed Property Business Improvement District  
2012 Budget



**Reserve for Slow Payments:**

Two percent of the budget is held in reserve to offset delinquent and/or slow payment from private properties.

Reserves are budgeted for those funds that remain from the 2% set aside, that are over and above those that have not been collected and are over and above the city fees. These reserves shall be carried forward from year to year, or may be reallocated to the designated budgetary categories found within the Management District Plan.

All services will only be provided within the District Boundaries.

**Methods of Financing:** A levy of special assessments upon real property that receives special benefits from the improvements and activities. (See Section 4, for Assessment Methodology)

**Benefit Zones:** The State Law and State Constitution, Article XIII (d), require that special assessments be levied according to the special benefit each parcel receives from the improvements. In order to match assessment rates to special benefits received, three categories of assessments have been created within the North Franklin Boulevard Property Business Improvement District. Those categories of assessment anticipate new commercial and condo residential unit parcel assessments. There will be four benefit zones in the proposed renewed North Franklin PBID.

***Summation of Categories of Special Benefit Services for the North Franklin Renewed Property Business Improvement District***

***Table 3 – A***

<b><i>Name of Program or Category of Service</i></b>	<b><i>Percent of First Year Annual Budget</i></b>	<b><i>Estimated First Year Costs of Special Benefit Services</i></b>
Sidewalk Operations, Beautification and Order	42%	\$ 59,000.00
District Identity	11%	\$ 15,000.00
Program Management, Corporate Operations	40%	\$ 57,000.00
Contingency	2%	\$ 2,274.00
City/County Fees	5%	\$ 8,000.00
<b><i>Total First Year Budget</i></b>	<b><i>100%</i></b>	<b><i>\$ 141,274.00</i></b>

**Ten-Year Operating Budget:**

A projected ten-year operating budget for the North Franklin PBID is provided below. The projections are based upon the following assumptions:

- Assessments will be subject to changes in the San Francisco All Urban Users Consumer Price Index (CPI), February to February, with annual increases not to exceed 5% per year. Increases will be determined by the Owners’ Association and in no case shall annual increases exceed 5% per year, nor shall they exceed the actual CPI increase in a given year.

Assessments for specific programs may be reallocated from year-to-year among District activities within a 10% range within each budget line item and may not exceed 10% of the total budget for all programs and activities. Changes based upon District needs and changed services must be approved by the Sacramento City Council by way of the Annual Report.

***Ten Year Projection of Maximum Assessment for the North Franklin PBID\****

**Table 3 – B**

<b>Budget</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Sidewalk Operations, Beautification and Order	\$59,000.00	\$61,950.00	\$65,047.50	\$68,299.88	\$71,714.87
District Identity	\$15,000.00	\$15,750.00	\$16,537.50	\$17,364.38	\$18,232.59
Program Management and Corporate Operations	\$57,000.00	\$59,850.00	\$62,842.50	\$65,984.63	\$69,283.86
Contingency/Reserve	\$2,274.00	\$2,387.70	\$2,507.09	\$2,632.44	\$2,764.06
City and County Fees	\$8,000.00	\$8,400.00	\$8,820.00	\$9,261.00	\$9,724.05
<b>Total</b>	\$141,274.00	\$148,337.70	\$155,754.59	\$163,542.31	\$171,719.43

<b>Budget</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Sidewalk Operations, Beautification and Order	\$75,300.61	\$79,065.64	\$83,018.92	\$87,169.87	\$91,528.36
District Identity	\$19,144.22	\$20,101.43	\$21,106.51	\$22,161.83	\$23,269.92
Program Management and Corporate Operations	\$72,748.05	\$76,385.45	\$80,204.72	\$84,214.96	\$88,425.71
Contingency/Reserve	\$2,902.26	\$3,047.38	\$3,199.75	\$3,359.73	\$3,527.72
City and County Fees	\$10,210.25	\$10,720.77	\$11,256.80	\$11,819.64	\$12,410.63
<b>Total</b>	\$180,305.40	\$189,320.67	\$198,786.71	\$208,726.04	\$219,162.34

\*Assumes a 5% yearly increase on all budget items.

Note: Any accrued interest or delinquent payments will be expended in the above categories.

## **Section 4**

### **Assessment Methodology**

The North Franklin PBID is a property-based benefit assessment district being established as a Property Business Improvement District (PBID) pursuant to Section 36600 *et seq.* of the California Streets and Highways Code, also known as the Property and Business Improvement District Law of 1994 (the “Act”). Due to the special benefit assessment nature of assessments levied within a PBID, District program costs are to be distributed amongst all identified specially benefiting properties based on the proportional amount of special program benefit each property is expected to derive from the assessments collected. Within the Act, frequent references are made to the concept of relative “benefit” received from PBID funded programs and activities versus amount of assessment paid. Only those properties expected to derive special benefits from PBID funded programs and activities may be assessed and only in an amount proportional to the relative special benefits expected to be received.

The method used to determine special benefits derived by each identified property within a PBID begins with the selection of a suitable and tangible basic benefit unit. For property related services, such as those proposed in the North Franklin PBID, the benefit unit may be measured in linear feet of primary street frontage or parcel size in square feet or building size in square feet or number of building floors or proximity to major corridors in average linear feet, or any combination of these factors. Quantity takeoffs for each parcel are then measured or otherwise ascertained. From these figures, the amount of benefit units to be assigned to each property can be calculated. Special circumstances such as unique geography, land uses, tax-exempt parcel benefits, development constraints etc. are carefully reviewed relative to specific programs and improvements to be funded by the PBID in order to determine any levels of diminished benefit which may apply on a parcel-by-parcel or categorical basis.

Based on the factors described above such as geography and nature of programs and activities proposed, an assessment formula is developed which is derived from a singular or composite basic benefit unit factor or factors. Within the assessment formula, different factors may be assigned different “weights” or percentage of values based on their relationship to programs/services to be funded.

Next, all program and activity costs, including incidental costs, District administration and ancillary program costs, and benefit zones are estimated. It is noted, as stipulated in Proposition 218, and now required of all property based assessment Districts, indirect or general benefits may not be incorporated into the assessment formula and levied on the District properties; only direct or “special” benefits and costs may be considered. Indirect or general benefit costs, if any, must be identified and, if quantifiable, calculated and factored out of the assessment cost basis to produce a “net” cost figure.

In addition, Proposition 218 no longer automatically exempts government owned property from being assessed and if special benefit is determined to be conferred upon such properties, they must be assessed in proportion to special benefits conferred in a manner similar to privately owned property assessments.

From this, the value of a basic benefit unit or “basic net unit cost” can be computed by dividing the total amount of estimated net program costs by the total number of benefit units. The amount of assessment for each parcel can be computed at this time by multiplying the Net Unit Cost times the number of Basic Benefit Units per parcel. This is known as “spreading the assessment” or the “assessment spread” in that all costs are allocated proportionally or “spread” amongst all properties within the PBID.

The method and basis of spreading program costs varies from one PBID to another based on local geographic conditions, types of programs and activities proposed, and size and development complexity of the District. PBIDs may require other benefit zones to be identified to allow for a tiered assessment formula for variable or “stepped-down” benefits derived.

During the first year of operation, approximately:

- \$61,510.00 or forty-three percent of the District’s revenues will be generated from linear frontage within the three Benefit Zones of the district.
- \$57,543.00 or forty-one percent will be generated by the parcel size or lot size of Benefit Zone 1 parcels.
- \$22,220.00 or sixteen percent of the District revenues will be funded from the commercial building square footage (not to exceed 25,000 square feet per parcel).
- No revenues or percentage will be generated from the condo or single family residential units within the District since currently none exist.

Street Frontage Defined:

Properties are assessed for the street frontages along North Franklin Boulevard, including the two parcels along Fruitridge APNs except in the case of Benefit Zone 3 where the large parcel owned by Campbell soup will derive benefits on the North Franklin Boulevard side as well as the 47<sup>th</sup> Avenue side. Linear front footage data was obtained from the County Assessor’s parcel maps and reviewed by staff at New City America, and finally verified by the City of Sacramento. In addition, property verification forms were mailed out to all affected property owners to verify the data New City America had collected.

Linear street frontage assessments will generate approximately \$61,510.00 in funding during the first year of the PBID and will fund those special benefit services that one encounters in walking along the nearly 3 ½ miles of frontages along Franklin and 47<sup>th</sup> Avenue (Campbell’s).

Street frontage is assessed at varying rates in each benefit zone. The overall cost of providing the Sidewalk Operations component of the budget is \$59,000 or an average of \$2.67 for the length of the frontages of the district. Zones 2 and 3 are assessed for linear frontage only.

However, Zone 2 will pay a supplemental fee to cover the program administration and City/County costs. In Zone 3, Campbell's parcel will also pay a supplemental fee over the \$2.69 linear frontage cost to cover the services listed above in Zone 2, as well as an approximately 39% premium over that linear frontage cost to cover their proportion of Program Management Costs and a portion of the City administration costs to oversee the Sidewalk Operations component of the budget.

#### ZONE 1 EXPLANATION OF ADMINISTRATION COSTS

Therefore, the rates for linear frontage are as follows:

*Zone 1 - \$2.69 per linear foot*

*Zone 2 - \$4.14 per linear foot*

*Zone 3 - \$3.74 per linear foot*

*Zone 4 – Linear frontage will not be assessed for residential condos in Zone 4*

#### Building Square Footage Defined:

Building square footage is defined as gross building square footage in all Zone 1 parcels, not exceeding 25,000 square foot per property, as determined by the outside measurements of a building. Building square footage data was obtained from the County Assessor's property records and reviewed by staff at New City America, Inc.. In addition, property verification forms were mailed out to all affected property owners to verify the data New City America, Inc. had collected.

*The maximum of 25,000 square feet per property was set as a ceiling due to the fact that building square footage assessments will fund the "district identity" special benefits and it is assumed that property owners will not derive proportional benefits over and above their contribution of assessments greater than 25,000 square feet. A 25,000 square foot building owner will pay approximately \$950.00 per year in building assessments and it is assumed that no one property owner would derive district identity related benefits greater than that amount.*

Building square footage assessments are calculated at \$0.037732 per square foot in all Zone 1 commercial properties and will generate approximately \$ 22,220.00 for the first year of the district, and \$15,000.00 of that amount would be dedicated to District Identity services. The building square footage will cover the costs of special events that are currently underway and funding by the current BIA and PBID. The costs of the "District Identity" component of the plan will fund those special benefits that benefit the building owners in Zone 1 of the district. Those costs are estimated to be a little over .03 ½ cents per month per square foot of building space in the district.

#### Lot Square Footage Defined:

Lot square footage is defined as the total amount of area within the borders of the parcel. The borders of a parcel are defined on the County Assessor's parcel maps and were confirmed by New City America staff and City of Sacramento staff. In addition, property verification forms

were mailed out to all affected property owners to verify the data New City America had collected.

The parcel or lot size is calculated at \$0.02 per square foot in Zone 1 properties and will generate approximately \$ 57,543.00 for the first year of the District. Lot size assessments will fund those special benefit services related to Administration and Program Management that predominantly benefit property owners in Zone 1 properties.

**Condo Residential Unit Parcel Defined:**

Condo Residential Unit building square footage is defined as the livable building square footage within the walls of the condo residential unit parcel. All new residential condos will be included in a separate Zone 4 throughout the district. They are included in a special zone to designate their unique special benefits relative to the other commercial parcels within all three Benefit Zones. Unlike the other commercial parcels in the district, including commercially operated apartment buildings, condo residential unit parcels are assessed for building square footage only, and not assessed for linear frontage and lot square footage. Currently there are no condos or commercial zoned in the proposed district boundaries.

Ground floor commercial condos or office condos would be assessed just as Zone 1 parcels with those parcels paying Zone 1 rates for linear frontage, lot size and building square footage.

As a result of continued development, the District may experience the addition or subtraction of assessable commercial footage for parcels included and assessed within the PBID boundaries. The modification of parcel improvements assessed within the District may then change upwards or downwards the amount of total footage assessment of these parcels.

In future years, the assessments for the special benefits bestowed upon the included PBID parcels may change in accordance with the assessment methodology formula listed in this Management District Plan and Engineer’s Report provided the assessment rate does not change. If the assessment formula changes, then a Proposition 218 ballot will be required for approval of the formula changes.

**Tax-exempt Parcels**

The 1994 Law, in Section 36622(k), states that the Management District Plan, *“may provide that all any class or category of real property which is exempt by law from real property taxation may nevertheless be included within the boundaries of the district but shall not be subject to assessment on real property.”*

Real property which is partially tax-exempt shall be assessed in equal proportion to its exemption; e.g. if a parcel is 50% tax-exempt, it will pay 50% of the assessment rate for its benefit zone and classification. Real property which is fully tax-exempt and has not submitted a signed statement agreeing to be assessed will not be assessed. Real property which is fully tax-exempt and has submitted a signed statement agreeing to be assessed will be assessed at the corresponding rate for its zone and classification.

Real property which is tax-exempt and does not pay the district assessment shall not receive, nor benefit from, any of the district's services. Fully tax-exempt parcels which have submitted signed statements and are paying the full assessment rate for their zone and classification shall receive and benefit from all of the district's services for their benefit zone and classification. Partially tax exempt parcels shall receive and benefit from the services provided to their zone and classification proportionally to the amount of assessment paid by each parcel.

**Exemptions:**

The PBID Act of 1994 states that in Section 36632(c)

*Properties zoned solely for residential use, or that are zoned for agricultural use, are conclusively presumed not to benefit from the improvements and service funded through these assessments, and shall not be subject to any assessment pursuant to this part.*

Special benefit services may be provided to these residentially zoned exempted parcels, within the boundaries of the renewed PBID, to ensure that the special benefits conferred to the overall district are consistent and do not detract from the image, appearance and resulting new commerce to the non-residential parcels within the renewed PBID. Special benefit services will not be provided to any parcels outside of the boundaries of the district. If these single family residentially zoned parcels are converted to commercial zoning within the term of the PBID, they will begin to be assessed their proportional assessments consistent with this Management District Plan.

**Table 4 – A**  
**Generation of Revenues by Benefit Zone**

<i>Benefit Zone</i>	<i>First Year Annual Contribution to overall district</i>	<i>First Year Percentage of total renewed PBID budget</i>
1	\$ 117,748.00	83%
2	\$ 6,610.00	5%
3	\$ 16,916.00	12%
4	0	0%
<i>Total</i>	<i>\$ 141,274.00</i>	<i>100%</i>

**Benefit Zone Explanation:**

There are four Benefit Zones in the PBID Management District Plan.

**Benefit Zone 1 parcels** will pay all property variables (linear frontage, lot size and linear frontage since these parcels will receive the full amount of special benefit services. The assessment methodology has been created to ensure proportional benefit – that is that a property variable has been identified to fund a particular special benefit that specifically confers a special benefit to that property variable. Linear frontage shall fund sidewalk operations services, building square footage, under 25,000 square feet, shall fund district identity services and the parcel lot size will fund the administrative, city fees and contingency costs.

**Benefit Zone 1** parcels include all commercial parcels within the district from Sutterville/12<sup>th</sup> Avenue to 47<sup>th</sup> Avenue, excluding Zone 2 designated parcels. All Zone 1 parcels will be assessed for their linear frontage costs, lot square footage and building square footage up to 25,000 square feet per property. Benefit Zone 1 parcel owners will receive the full benefit of all services funded by the renewed PBID. Benefit Zone 1 parcels will pay \$2.69 per linear foot, \$0.02 per square foot of lot size and \$0.037732 per building square foot during the first year of the PBID.

**Benefit Zone 2** parcels are anticipated to receive lesser benefit due to the nature of their land uses. Benefit Zone 2 parcels include those parcels along North Franklin Boulevard between Sutterville/12<sup>th</sup> Avenue and 47<sup>th</sup> Avenue which have tax exempt status and are not rented on a commercial basis. Those parcels include all: City of Sacramento, Sacramento City Unified School District, tax-exempt non-profit, ecumenical and single family residential land uses. These parcels are classified as Zone 2 parcels because they will only benefit from the sidewalk operations services; however they must contribute a portion of their linear frontage costs to

cover the program management, contingency and city/county fees. They will pay a premium linear frontage assessment of \$4.14 per linear foot, to cover the basic special benefit sidewalk operations costs as well as these other related costs, since Zone 2 parcels do not pay for lot size or building square footage.

The one parcel in **Benefit Zone 3** consists of the Campbell Soup manufacturing site. This unique parcel is by far the largest parcel of its kind in the area and is nonetheless part of the North Franklin Boulevard business community. This parcel is classified as Zone 3 because it will only benefit from the sidewalk operations services along North Franklin and 47<sup>th</sup> Avenue; however it must contribute a portion of their linear frontage costs to cover the program management, incidental district identity costs, contingency and city/county fees. Campbell's will pay a premium linear frontage assessment of \$3.74 per linear foot to cover the basic special benefit sidewalk operations costs as well as these other related costs, since Campbell's parcel does not pay for lot size or building square footage.

**Benefit Zone 2 and 3 parcels** will only receive Sidewalk Operations (cleaning and sidewalk operations services and some District Identity services in the form of the banner program and listing in the Community Directory and web site. The higher linear frontage costs include the \$2.69 per linear foot, which funds the sidewalk operations special benefits , plus an additional cost for program management costs, since building square footage and lot size are not assessed in Zone 2 and 3 parcels. The funds generated from the higher linear frontage costs in Zone 2 will contribute to the program management and contingency, City/County costs of the district. The funds generated from the higher linear frontage costs in Zone 3 (Campbell's) will contribute to the program management and contingency, City/County costs as well as some minor District Identity costs in the District.

**Benefit Zone 4 parcels** currently don't exist in the PBID boundaries but are anticipated to be built within the boundaries of the district in the next 10 years. Benefit Zone 4 parcels are residential condos, which will only be assessed for their parcel building square footage, not for linear frontage, or lot size. The actual condo building square footage will fund the sidewalk operations services, administration services and city fees plus contingency.

### **Calculation of Assessments**

The proportionate special benefit derived by each identified parcel shall be determined in a relationship to the entirety of the improvement or the maintenance and operation expenses of an improvement or for the cost of property service being provided. Per California Constitutional Amendment Article XIII D, Section 2(i), 'Special Benefit', means a particular and distinct benefit over and above general benefits conferred on a real property located in the district or to the public at large.

Four factors shall be used in the determination of the annual assessments. They include the property variables of lot size, linear frontage and commercial building square footage (capped at 25,000 square foot per parcel). The fourth factor, a residential condo, would only be assessed on livable building square footage.

These four factors, as well as a parcel’s location in a specific Benefit Zone, are derived by multiplying their weighted percentage of benefit by the total budget amount and dividing the result by the total measurement for each benefit factor. These four factors are calculated as follows:

**Table 4 – B**  
**First Year Annual Costs by Property Variable – Benefit Zone 1**

PROPERTY VARIABLE	FIRST YEAR ANNUAL COST
Building Square Footage (Non-residential condo)	\$ 0.037732 per square foot
Lot or Parcel size	\$ 0.02 per square foot
Linear Frontage	\$ 2.69 per linear foot

**First Year Annual Costs by Property Variable – Benefit Zone 2**

PROPERTY VARIABLE	FIRST YEAR ANNUAL COST
Building Square Footage (Non-residential)	\$ 0.00 per square foot
Lot or Parcel size	\$ 0.00 per square foot
Linear Frontage	\$ 4.14 per linear foot

**First Year Annual Costs by Property Variable – Benefit Zone 3**

PROPERTY VARIABLE	FIRST YEAR ANNUAL COST
Building Square Footage (Non-residential)	\$ 0.00 per square foot
Lot or Parcel size	\$ 0.00 per square foot
Linear Frontage	\$ 3.74 per linear foot

**First Year Annual Costs by Property Variable – Benefit Zone 4**

PROPERTY VARIABLE	FIRST YEAR ANNUAL COST
Building Square Footage (Non-residential)	\$ 0.00 per square foot
Lot or Parcel size	\$ 0.00 per square foot
Linear Frontage	\$ 0.00 per linear foot
Residential Condo Unit Parcel - building square footage only	\$ 0.30 per square foot

**Table 4 – C**  
**Factors Used in Generating Funds Per Special Benefit Service**

<b>Special Benefit Service</b>	<b>Explanation of Services</b>	<b>Costs Attributed to Which Property Variable</b>	<b>Annual Estimated Costs</b>
Sidewalk Operations, Beautification and order	See p. 15 - 21	Linear Frontage in all three Benefit Zones	\$ 59,000.00
District Identity Special Events, and programs	See p. 15 -21	Bldg square footage up to 25,000 per property (Zone 1 only)	\$15,000.00
Enhanced Residential services -	To be determined	Residential condo building square footage	Unknown
Program management and corporate operations	See p. 15 - 21	Lot size Zone 1 only	\$ 57,000.00
Contingency	See p. 15 -21	Linear frontage in Zones 2 and 3	\$ 2,274.00
City/County fees	See p. 15 -21	Linear frontage in Zones 2 and 3	\$ 8,000.00
<b>Total Costs</b>			<b>\$ 141,274.00</b>

No assessment shall be imposed on any parcel, which exceeds the reasonable cost of the proportional special benefits conferred upon that parcel. Only special benefits are assessable and these benefits must be separated from any general benefits. A general benefit is defined as a benefit to properties in the surrounding community or a benefit to the public in general resulting from improvement, activity or service to be provided by the assessment levied.

The special benefits funded by this new District will be over and above existing City of Sacramento baseline service levels in the commercially zoned parcels and will serve to increase tenancies, increase commerce, increase economic viability and fund a system of cleanliness and beautification over and above current service levels.

All General Benefits (if any) to the surrounding community and general public are intangible and not able to be quantified. All benefits derived from the assessment outlined in the Management District Plan (MDP) fund only services directly benefiting the property owners in this specialized District in maintenance and security, as well as increased commerce and all the other goals and objectives of the North Franklin PBID’s purpose.

Properties are assessed as defined on the County Assessor’s most current parcel maps.

The preceding methodology is applied to the database of parcels within the District. The process for compiling the property database includes the following steps:

- A report was submitted to the City Finance Dept’s office using the data obtained from the Sacramento County Tax Assessors office. The City Finance Dept’s office is reviewing the report.



number. All residential condos will be classified as Benefit Zone 4 parcels, once built. These residents will receive special benefits from clean and safe and administrative services but not marketing and district identity programs designed to attract and retain businesses. Therefore, they will pay 100% of the special benefits provided from the target services and programs provided. A detailed explanation of their special benefit and the rationale for this assessment is provided in the attached Engineer’s Report. The Calculation of Assessment for each Condo Residential Unit in the PBID is as follows:

**The assessment method for typical residential condos on commercial parcels in Zone 4 is:**

Total Residential Unit Square footage X \$0.30 per Square Foot

**Equals**

TOTAL RESIDENTIAL CONDO UNIT ASSESSMENT

**Commercial Condominium Parcels**

Ground floor commercial condominiums will be treated like independent “mini” commercial buildings and assessed based on their divided building area, the footprint of land they cover, and the amount of direct street frontage towards the exterior of the building. Ground floor commercial condominiums will pay 100% of the Zone 1 special benefits for the assessment.

Upper floor office commercial condominiums, however, do not have direct access to street frontage services and are deemed to only receive special benefit for the commercial services rendered to the entire building. Therefore, they will pay 100% of the special benefits provided from the target services and programs provided. A further explanation of their special benefit and the rationale for this assessment is provided in the attached Engineer’s Report.

**Publicly owned parcels**

Publicly owned property will be assessed the same as privately owned property. Each public parcel will pay Zone 2 linear frontage costs based upon the specific special benefits received. All public parcels are designated as Benefit Zone 2 parcels.

**Table 4 – D**  
**Database for North Franklin PBID:**  
**Assessable property variables in Benefit Zone 1**

<b>Linear Frontage Total</b>	<b>Lot Square Footage Total</b>	<b>Building Square Footage Total</b>	<b>Condo Residents Unit Parcels, Building Square Footage to be assessed</b>
14,120 linear feet	2,877,123 sq. ft.	588,899 sq. ft.	0 sq. feet

**Table 4 – E**  
**Database for North Franklin PBID:**  
**Assessable property variables in Benefit Zone 2**

<b>Linear Frontage Total</b>	<b>Lot Square Footage Total</b>	<b>Building Square Footage Total</b>	<b>Condo Residents Unit Parcels, Building Square Footage to be assessed</b>
1,597 linear feet	0 sq. ft.	0 sq. ft.	0 sq. feet

**Table 4 – F**  
**Database for North Franklin PBID:**  
**Assessable property variables in Benefit Zone 3**

<b>Linear Frontage Total</b>	<b>Lot Square Footage Total</b>	<b>Building Square Footage Total</b>	<b>Condo Residents Unit Parcels, Building Square Footage to be assessed</b>
4,523 linear feet	0 sq. ft.	0 sq. ft.	0 sq. feet

**Table 4 – G**  
**Amount Generated during the First Year by Property Variables for**  
**the North Franklin PBID – Total Revenues: Benefit Zone 1**

<b>Linear Frontage Total</b>	<b>Lot Square Footage Total</b>	<b>Building Square Footage Total</b>
\$37,984.09	\$ 57,542.46	\$ 22,220.34

**Table 4 – H**  
**Amount Generated during the First Year by Property Variable for**  
**the North Franklin PBID – Total Revenues: Benefit Zone 2**

<i>Linear Frontage Total</i>	<i>Lot Square Footage Total</i>	<i>Building Square Footage Total</i>
\$ 6,610.38	0	0

**Table 4 – I**  
**Amount Generated during the First Year by Property Variable for**  
**the North Franklin PBID – Total Revenues: Benefit Zone 3**

<i>Linear Frontage Total</i>	<i>Lot Square Footage Total</i>	<i>Building Square Footage Total</i>
\$ 16,915.83	0	0

**Table 4 – J**  
**Total Amount generated by Property Variable and Benefit Zone**

<i>Benefit Zone</i>	<i>Linear Frontage</i>	<i>Lot/Parcel Size</i>	<i>Building Sq. Feet</i>	<i>Residential Condos</i>
1	\$37,984.09	\$ 57,542.46	\$ 22,220.34	0
2	\$ 6,610.38	0	0	0
3	\$ 16,915.83	0	0	0
<b>Total</b>	<b>\$ 61,510.30</b>	<b>\$ 57,542.46</b>	<b>\$ 22,220.34</b>	<b>0</b>

**Maximum Assessment**

Assessments will be subject to changes in the San Francisco Consumer Price Index (CPI), February to February for all urban consumers, annual increases not to exceed 5% per year. Increases will be determined by the PBID Owners’ Association and will vary between 0% and 5% in any given year. The following projections illustrate a potential 5% annual increase.

**Table 4 – K**  
**Benefit Zone 1 Maximum Assessments by Property Variable**

<b>Projected Assessment</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Linear Feet</b>	\$ 2.69	\$2.82	\$2.97	\$3.11	\$3.27
<b>Lot Square Footage</b>	\$0.02	0.021	0.022	0.023	0.024
<b>Building Square Footage</b>	\$0.03772	\$0.039619	\$0.041600	\$0.043680	\$0.045863

<b>Projected Assessment</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Linear Feet</b>	\$3.43	\$3.60	\$3.79	\$3.97	\$4.17
<b>Lot Square Footage</b>	0.026	0.027	0.028	0.030	0.031
<b>Building Square Footage</b>	\$0.048157	\$0.050564	\$0.053093	\$0.055747	\$0.058535

**Table 4 – L**  
**Benefit Zone 2 Maximum Assessments by Property Variable**

<b>Projected Assessment</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Linear Feet</b>	\$ 4.14	\$4.35	\$4.56	\$4.79	\$5.03
<b>Residential Building Square Footage</b>	\$0.30	\$0.315000	\$0.330750	\$0.347288	\$0.364652

<b>Projected Assessment</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Linear Feet</b>	\$5.28	\$5.55	\$5.83	\$6.12	\$6.42
<b>Residential Building Square Footage</b>	\$0.382884	\$0.402029	\$0.422130	\$0.443237	\$0.465398

**Table 4 – M**  
**Benefit Zone 3 Maximum Assessments by Property Variable**

Projected Assessment	2013	2014	2015	2016	2017
Linear Feet	\$3.74	\$3.93	\$4.12	\$4.33	\$4.55

Projected Assessment	2018	2019	2020	2021	2022
Linear Feet	\$4.77	\$5.01	\$5.26	\$5.53	\$5.80

**Table 4 –N**  
**Benefit Zone 4 Maximum Assessments by Property Variable**

Projected Assessment	2013	2014	2015	2016	2017
Residential Building Square Footage	\$0.30	\$0.315000	\$0.330750	\$0.347288	\$0.364652

Projected Assessment	2018	2019	2020	2021	2022
Residential Building Square Footage	\$0.382884	\$0.402029	\$0.422130	\$0.443237	\$0.465398

**Budget Adjustments**

Annual budget surpluses, if any, will be rolled into the following year’s budget. Assessments will be set annually, within the constraints of the CPI or land use changes. Revenues from the delinquent accounts may be expended in the year they are received. If the District is not renewed, any remaining funds will be returned to property owners in the proportion by what each property owner paid.

If the District renews and money is left over from the previous term, the balance of remaining funds will be rolled over into the renewed district. However, the rolled over funds may only be used within the boundaries of the old district. Funds collected from the previous PBID term cannot be expended for activities, services, or improvements in the expanded area but may be used to finish renewal activities.

**Time and Manner for Collecting Assessments**

The North Franklin PBID assessments will appear as a separate line item on annual property tax bills prepared by the County of Sacramento. The assessments shall be collected at the same time and in the same manner as for the ad valorem property tax paid to the County of Sacramento. These assessments shall provide for the same lien priority and penalties for delinquent payment as is provided for the ad valorem property tax.

Any delinquent assessments owed for the first year will be added to the property tax roll for the following year together with any applicable interest and penalties. The “property owner” means any person shown as the owner/taxpayer on the last equalized assessment roll or otherwise known to be the owner/taxpayer by the City.

### **Disestablishment**

California State Law, Section 36670 provides for the disestablishment of a District. Upon the termination of the previous District, any remaining revenues shall be transferred to the renewed District, if one is established, pursuant to Streets and Highways Code Section 36660(b). Unexpended funds will be returned to property owners based upon each parcels percentage contribution to the total year 2013 assessments if the District is not renewed. Unexpended funds may also be used for renewal costs if the District decided to pursue renewal of the District for another term.

### **Government Assessments**

The North Franklin PBID Management Plan assumes that the City of Sacramento and other government entities will pay assessments for the public property within the boundaries of the District. Article XIII D, Section 4 of the California Constitution was added in November of 1996 to provide for these payments.

Parcels owned by the City of Sacramento or the Redevelopment Agency, the State of California, the Sacramento City Unified School District, and the County of Sacramento shall receive benefits, commensurate with the assessments paid into the North Franklin PBID. The publicly owned parcels are presumed to benefit equally to the privately owned Zone 2 parcels for the special benefits provided.

**Future Development**

As a result of continued development, the District may experience the addition or subtraction of assessable commercial or residential building footage for parcels included and assessed within the District boundaries. The modification of parcel improvement assessed within the District may then change upwards or downwards the amount of total building square footage assessment for these parcels.

In the future years, the assessments for the special benefits bestowed upon the included PBID parcels may change in accordance with the assessment methodology formula listed in the Management District Plan and Engineer’s Report provided the assessment rate does not change. If the assessment formula changes, then a Proposition 218 ballot will be required to approve the formula changes.

**Table 4 - O  
Government Owned Parcels in the  
North Franklin PBID**

<b>APN</b>	<b>Legal Owner</b>	<b>Site Street</b>	<b>Annual Assessment</b>	<b>Percent</b>
022 0221 036 0000	City of Sacramento	5303 Franklin Blvd.	\$1,124.05	0.80%
025 0202 005 0000	Sacramento City Unified School District	3301 37 <sup>th</sup> Avenue	\$1,006.02	0.71%

## Section 5 District Rules and Regulations

Pursuant to the Property Business Improvement District Law of 1994, as amended, PBID may establish rules and regulations that uniquely apply to the District. The District has adopted the following rules:

- Current and future condo residential unit parcels shall be assessed as a special category at \$0.30 per square foot of their parcel building square footage and their assessments will contribute to the Sidewalk Operations and Beautification and enhanced special benefit services, as well as fund peripheral enhanced beautification programs, responsive to their specific needs.

### **Bonds:**

The District will not issue any bonds related to any program.

### **Exemptions:**

The PBID Act of 1994 states that in Section 36632(c)

*Properties zoned solely for residential use, or that are zoned for agricultural use, are conclusively presumed not to benefit from the improvements and service funded through these assessments, and shall not be subject to any assessment pursuant to this part.*

Special benefit services may be provided to these residentially zoned exempted parcels, within the boundaries of the renewed PBID, to ensure that the special benefits conferred to the overall district are consistent and do not detract from the image, appearance and resulting new commerce to the non-residential parcels within the renewed PBID. Special benefit services will not be provided to any parcels outside of the boundaries of the district. If these single family residentially zoned parcels are converted to commercial zoning within the term of the PBID, they will begin to be assessed their proportional assessments consistent with this Management District Plan.

## Section 6 Implementation Timetable

The North Franklin PBID is expected to be established and begin implementation of the Management District Plan on January 1, 2013. Consistent with State Law, the North Franklin PBID will have a ten-year term through December 31, 2022.

## Section 7

### Parcel Numbers of Properties Included

019 0010 001 0000	1	\$3,352.64	019 0221 044 0000	1	\$897.05
019 0041 008 0000	1	\$663.08	019 0221 046 0000	1	\$2,195.41
019 0043 009 0000	1	\$1,008.44	019 0221 047 0000	1	\$781.53
019 0043 012 0000	1	\$273.27	020 0011 001 0000	1	\$668.71
019 0043 013 0000	1	\$407.36	020 0011 012 0000	2	\$0.00
019 0043 016 0000	1	\$402.19	020 0012 001 0000	2	\$0.00
019 0043 017 0000	2	\$165.60	020 0012 010 0000	1	\$273.56
019 0043 018 0000	1	\$269.30	020 0012 011 0000	2	\$0.00
019 0043 033 0000	1	\$689.13	020 0012 012 0000	2	\$0.00
019 0043 034 0000	1	\$490.47	020 0012 013 0000	2	\$0.00
019 0043 035 0000	1	\$644.66	020 0044 003 0000	2	\$312.32
019 0061 049 0000	1	\$609.59	020 0044 004 0000	1	\$655.48
019 0065 005 0000	1	\$471.13	020 0044 017 0000	2	\$178.02
019 0066 005 0000	1	\$1,183.68	020 0044 018 0000	1	\$576.15
019 0066 006 0000	1	\$1,037.11	020 0044 019 0000	1	\$4,249.30
019 0066 007 0000	1	\$926.76	020 0111 006 0000	1	\$184.27
019 0066 016 0000	1	\$1,032.28	020 0111 007 0000	1	\$150.08
019 0081 023 0000	1	\$1,511.40	020 0111 026 0000	1	\$374.36
019 0082 030 0000	1	\$654.46	020 0111 037 0000	1	\$730.66
019 0082 031 0000	1	\$2,308.72	020 0111 038 0000	1	\$346.67
019 0101 019 0000	1	\$876.69	020 0111 041 0000	1	\$688.41
019 0101 020 0000	1	\$267.44	020 0111 043 0000	1	\$1,016.11
019 0101 030 0000	1	\$932.00	020 0111 044 0000	1	\$350.20
019 0102 004 0000	1	\$3,386.67	020 0201 001 0000	2	\$0.00
019 0131 012 0000	1	\$875.84	020 0201 013 0000	1	\$868.78
019 0131 013 0000	1	\$467.74	020 0201 018 0000	1	\$0.00
019 0131 014 0000	1	\$406.83	020 0202 001 0000	1	\$628.71
019 0131 015 0000	1	\$431.68	020 0202 007 0000	1	\$442.25
019 0131 016 0000	1	\$283.69	020 0202 008 0000	1	\$185.13
019 0131 017 0000	1	\$481.00	020 0202 009 0000	1	\$340.22
019 0134 001 0000	1	\$522.38	020 0261 001 0000	1	\$237.47
019 0134 002 0000	1	\$285.04	020 0261 002 0000	1	\$158.09
019 0134 003 0000	1	\$781.38	020 0261 003 0000	1	\$379.19
019 0134 004 0000	1	\$378.74	020 0261 009 0000	1	\$360.88
019 0161 019 0000	1	\$736.90	020 0261 010 0000	1	\$216.42
019 0161 048 0000	1	\$4,490.05	020 0261 011 0000	1	\$258.65
019 0161 054 0000	1	\$977.55	020 0263 002 0000	1	\$285.16
019 0161 055 0000	1	\$696.77	020 0263 003 0000	1	\$435.03
019 0191 014 0000	1	\$416.60	020 0263 019 0000	1	\$133.46
019 0191 015 0000	1	\$410.25	020 0263 020 0000	2	\$169.74
019 0191 016 0000	1	\$1,864.66	022 0011 001 0000	1	\$345.95
019 0191 017 0000	1	\$266.81	022 0011 002 0000	1	\$243.87
019 0191 018 0000	1	\$2,242.46	022 0011 003 0000	1	\$254.43
019 0191 022 0000	1	\$481.22	022 0012 001 0000	1	\$306.94
019 0191 080 0000	1	\$2,260.99	022 0012 021 0000	2	\$211.10
019 0221 012 0000	1	\$1,328.83	022 0012 022 0000	2	\$211.10

022 0012 026 0000	1	\$1,004.41	025 0231 015 0000	2	\$186.30
022 0081 001 0000	1	\$472.59	025 0231 016 0000	2	\$227.70
022 0081 025 0000	1	\$468.12	025 0231 017 0000	2	\$691.38
022 0081 031 0000	1	\$566.30	025 0231 032 0000	2	\$360.18
022 0081 032 0000	1	\$597.08	025 0232 024 0000	2	\$496.80
022 0082 019 0000	1	\$498.03	025 0232 028 0000	2	\$0.00
022 0082 020 0000	1	\$584.82	026 0012 001 0000	2	\$322.92
022 0082 029 0000	1	\$491.29	026 0012 002 0000	2	\$152.27
022 0082 030 0000	1	\$563.36	026 0012 003 0000	1	\$928.35
022 0151 001 0000	1	\$237.27	026 0013 003 0000	1	\$954.55
022 0151 024 0000	1	\$749.12	026 0013 017 0000	1	\$2,558.32
022 0151 036 0000	1	\$1,873.12	026 0110 001 0000	2	\$0.00
022 0152 001 0000	1	\$1,182.07	026 0300 001 0000	1	\$584.58
022 0221 023 0000	1	\$948.96	026 0300 003 0000	1	\$1,183.09
022 0221 025 0000	1	\$2,829.63	026 0300 008 0000	1	\$887.00
022 0221 035 0000	1	\$3,225.87	026 0300 016 0000	1	\$3,408.42
022 0221 036 0000	2	\$1,124.05	036 0010 008 0000	3	\$16,915.83
025 0091 010 0000	1	\$646.90	037 0011 044 0000	1	\$1,526.40
025 0091 011 0000	1	\$645.39	037 0011 048 0000	1	\$306.70
025 0091 012 0000	1	\$1,437.94	037 0011 049 0000	1	\$683.46
025 0091 013 0000	1	\$404.95	037 0011 051 0000	1	\$1,366.70
025 0091 014 0000	1	\$437.77	037 0011 056 0000	2	\$0.00
025 0091 015 0000	1	\$347.40	037 0011 057 0000	2	\$0.00
025 0091 016 0000	1	\$365.08	037 0091 008 0000	1	\$958.51
025 0091 017 0000	1	\$371.44	037 0091 029 0000	1	\$940.71
025 0092 015 0000	2	\$248.40	037 0092 008 0000	1	\$1,117.07
025 0092 016 0000	1	\$375.99	037 0092 011 0000	1	\$1,157.47
025 0092 017 0000	1	\$355.82	037 0171 007 0000	1	\$425.72
025 0171 020 0000	1	\$413.95	037 0171 011 0000	1	\$1,008.63
025 0171 021 0000	2	\$256.68	037 0171 014 0000	2	\$248.40
025 0171 024 0000	1	\$1,097.46	037 0171 015 0000	2	\$41.40
025 0172 044 0000	1	\$1,934.60	037 0172 017 0000	1	\$598.57
025 0173 020 0000	2	\$0.00	037 0172 018 0000	1	\$811.35
025 0173 021 0000	2	\$0.00	037 0172 019 0000	1	\$373.17
025 0173 022 0000	2	\$0.00	037 0242 027 0000	1	\$1,185.85
025 0173 024 0000	2	\$0.00	037 0242 028 0000	1	\$1,048.60
025 0173 025 0000	1	\$431.46	037 0243 024 0000	1	\$952.65
025 0201 014 0000	1	\$319.78	037 0243 025 0000	1	\$125.67
025 0201 034 0000	1	\$1,150.23	037 0243 030 0000	1	\$922.73
025 0202 005 0000	2	\$1,006.02			

**THE NORTH FRANKLIN  
PROPERTY BUSINESS IMPROVEMENT  
DISTRICT**

*Being Renewed Under California Streets and Highway Code Section 36600 et seq  
The Property and Business Improvement District Law of 1994*

**DISTRICT  
ASSESSMENT ENGINEER'S  
REPORT**

**ATTACHMENT A**

*Prepared by  
Edward V. Henning  
California Registered Professional Engineer # 26549  
Edward Henning & Associates*

*MAY 21, 2012*

**DISTRICT ASSESSMENT ENGINEER’S REPORT**

To Whom It May Concern:

I hereby certify to the best of my professional knowledge and experience that each of the identified benefiting parcels located within the proposed renewed North Franklin Property Business Improvement District ("NFPBID") being renewed for 10 years will receive a special benefit over and above the benefits conferred on the public at large and that the amount of the proposed assessment is proportional to, and no greater than the benefits conferred on each respective parcel.

*Prepared by Edward V. Henning, California Registered Professional Engineer # 26549*



*Edward V. Henning*

RPE #26549

5-21-12

Edward V. Henning

Date

*(NOT VALID WITHOUT SIGNATURE AND CERTIFICATION SEAL HERE)*

**Introduction**

This report serves as the “detailed engineer’s report” required by Section 4(b) of Article XIID of the California Constitution (Proposition 218) to support the benefit property assessments proposed to be levied on individual parcels within the NFPBID in the City of Sacramento, California being renewed for a 10 year period. The discussion and analysis contained within constitutes the required “nexus” of rationale between assessment amounts levied and special benefits derived by parcels within the NFPBID.

**NOTE: The terminology “identified benefiting parcel” or “property” is used throughout this report pursuant to SB 919 - “Proposition 218 Omnibus Implementation Act” which clarified portions of Prop 218. It provides the Assessment Engineer with the ability to actually identify individual parcels which will specially benefit directly either in whole or in part from the proposed District funded programs and improvements and does not imply that all parcels within a District receive the same, or any, assessable benefits.**

## **Background**

The NFPBID is a property-based benefit assessment type district being renewed pursuant Section 36600 et seq. of the California Streets and Highways Code, also known as the Property and Business Improvement District Law of 1994 (the “Act”). Due to the benefit assessment nature of assessments levied on parcels within a Property Business Improvement District (PBID), district program costs are to be distributed amongst all identified benefiting parcels based on the proportional amount of program benefit each parcel is expected to derive from the assessments levied. Within the Code and the Act, frequent references are made to the concept of relative “benefit” received by properties from PBID funded programs and activities versus amount of assessment levied. Only those parcels expected to derive special benefits from PBID funded programs and activities may be assessed and only in an amount proportional to the special benefits expected to be received.

The method used to determine special benefits derived by each identified property within a PBID begins with the selection of a suitable and tangible basic benefit unit. For property related services, such as those proposed in the NFPBID, the benefit unit may be measured in linear feet of primary street frontage or parcel size in square feet or building size in square feet or number of building floors or proximity to major corridors in average linear feet, or any combination of these factors. Quantity takeoffs for each parcel are then measured or otherwise ascertained. From these figures, the amount of benefit units to be assigned to each property can be calculated. Special circumstances such as unique geography, land uses, development constraints etc. are carefully reviewed relative to specific programs and improvements to be funded by the PBID in order to determine any levels of different benefit which may apply on a parcel-by-parcel or categorical basis.

Based on the factors described above such as geography and nature of programs and activities proposed, an assessment formula is developed which is derived from a singular or composite basic benefit unit factor or factors. Within the assessment formula, different factors may be assigned different “weights” or percentage of values based on their relationship to programs/services to be funded.

Next, all program and activity costs, including incidental costs, District administration and ancillary program costs, are estimated. It is noted, as stipulated in Proposition 218, and now required of all property based assessment Districts, indirect or general benefits may not be incorporated into the assessment formula and levied on the District parcels; only direct or “special” benefits and costs may be considered. Indirect or general benefit costs, if any, must be identified and, if quantifiable, calculated and factored out of the assessment cost basis to produce a “net” cost figure. In addition, Proposition 218 no longer automatically exempts government owned property from being assessed and if special benefit is determined to be conferred upon such parcels, they must be assessed in proportion to special benefits conferred in a manner similar to privately owned property assessments.

From this, the value of a basic benefit unit or “basic net unit cost” can be computed by dividing the total amount of estimated net program costs by the total number of benefit units. The amount of assessment for each parcel can be computed at this time by multiplying the Net Unit Cost times the number of Basic Benefit Units per parcel. This is known as “spreading the assessment” or the “assessment spread” in that all costs are allocated proportionally or “spread” amongst all parcels within the PBID.

The method and basis of spreading program costs varies from one PBID to another based on local geographic conditions, types of programs and activities proposed, and size and development complexity of the District. BIDs may require secondary benefit zones to be identified to allow for a tiered assessment formula for variable or “stepped-down” benefits derived.

### **Supplemental Proposition 218 Procedures and Requirements**

Proposition 218, approved by the voters of California in November of 1996, adds a supplemental array of procedures and requirements to be carried out prior to levying a property-based assessment like the NFPBID. These requirements are in addition to requirements imposed by State and local assessment enabling laws. These requirements were “chaptered” into law as Article XIID of the California Constitution.

Since Prop 218 provisions will affect all subsequent calculations to be made in the final assessment formula for the NFPBID, Prop 218 requirements will be taken into account. The key provisions of Prop 218 along with a description of how the NFPBID complies with each of these provisions are delineated below.

(Note: All section references below pertain to Article XIII of the California Constitution):

#### **Finding 1. From Section 4(a): “Identify all parcels which will have a special benefit conferred upon them and upon which an assessment will be imposed”**

There are 171 parcels within the proposed renewed NFPBID of which 156 are “identified” assessable parcels that will derive special benefit from the proposed District programs and activities. Nine of the non-identified parcels are existing single family residential uses on residential zoned parcels. Pursuant to State PBID law, properties zoned solely residential are exempt from assessments in that they are presumed not to benefit from PBID funded improvements and activities. If and when these non-identified residential zoned parcels are converted to commercial zoning, they will be assessed at rates in effect at that time. The remaining six non-identified parcels are currently owned and fully occupied by tax-exempt entities and, in accordance with City of Sacramento assessment district policy, shall not be subject to assessments.

It is noted that such tax-exempt classified parcels may, in writing, request to be voluntarily assessed an optional fee for PBID related services, but the value of such optional fees shall not count towards either PBID Law or Proposition 218 “majority” petition or ballot procedure valuations. It is further noted that the Property Owner’s Association (POA) which contracts with the City of Sacramento to receive PBID funds and manage PBID programs and services shall be prohibited from providing any PBID funded improvement, service or program that directly benefits any non-identified non-contributing parcel within the District boundary in any manner. This provision shall be overtly stipulated in any sub-contractor agreements issued by the PBID POA and shall be strictly enforced at all times.

The benefits bestowed upon identified parcels within the District are special and unique only to the identified parcels because programs and services (i.e. sidewalk operations, district identity/special events, program management and corporate operations, contingency, and City/County fees) will only be provided directly for the identified parcels within the proposed District. These identified benefiting parcels are located within the NFPBID perimeter boundary which is shown on the Boundary Map included in the Management District Plan and are listed as an attachment to the Plan and this Report - identified by assessor parcel number. Any future development and/or land subdivisions within the District will adhere to the assessment rate structures described herein. There are four benefit zones within the proposed renewed NFPBID.

**District Boundaries**

The boundaries of the proposed renewed North Franklin Property Business Improvement District will remain the same as the previous City approved boundaries for the 2008 North Franklin PBID. The boundaries are as follows:

- Northern Boundary: The two parcels on the south side of Sutterville Road/12<sup>th</sup> Avenue, the southwest and southeast corner parcels of the intersection of North Franklin Boulevard and Sutterville/12<sup>th</sup> Avenue. (Parcels 019-0010-01 and 020-0011-01).
  
- Southern Boundary: The two parcels on the north side of 47<sup>th</sup> Avenue on the northeast and northwest corners of the intersection of 47<sup>th</sup> Avenue and Franklin Boulevard. (Parcels 036-0010-008/Campbell’s Soup Plant, and parcel 037-0243-024).
  
- Western Boundary: The most western side of all of the parcels running along Franklin Boulevard from Sutterville Road on the north to 47<sup>th</sup> Avenue on the south.
  
- Eastern Boundary: The most eastern side of all of the parcels running along Franklin Boulevard from Sutterville Road on the north to 47<sup>th</sup> Avenue on the south.

All identified parcels within the above-described boundaries will be assessed to fund special benefit services,

programs and improvements for the benefit of individual parcels within the proposed District as outlined in this report and the Management District Plan. NFPBID funded activities will only be provided to individual parcels inside the District boundaries – none outside. All NFPBID funded programs and services are considered supplemental above normal base level services provided to individual parcels within the District by the City of Sacramento and only within the boundaries of the NFPBID.

### **Benefit Zones**

There are four benefit zones in the North Franklin Property Business Improvement District. The benefit zone boundaries are based upon the varying land uses and program needs for providing special benefit services to individual assessed parcels within the NFPBID.

The costs of these services are based upon historically proven budgets and costs of specific special benefit services that have been funded by the current North Franklin district since 2008. The costs of each service have been calculated per benefit zone and have been spread amongst the various property variables in each benefit zone. The costs of the special benefit services, per individual parcel within each benefit zone, do not exceed the costs of that service within that benefit zone.

Since market costs may vary from year to year per service category, budget line items may be adjusted accordingly by up to 10%.

**Benefit Zone 1** parcels include all commercial parcels within the district from Sutterville/12<sup>th</sup> Avenue to 47<sup>th</sup> Avenue, excluding Zone 2 designated parcels. All identified Zone 1 parcels will be assessed based on their street frontage, parcel size and gross building size capped at 25,000 square feet per parcel. Benefit Zone 1 identified parcels will receive the full benefit of all services funded by the renewed PBID. Zone 1 identified parcels will be assessed at the rate of \$2.69 per linear foot of street frontage, plus \$0.02 per square foot of parcel area, plus \$0.037732 per gross square foot of building area during the first year of the renewed PBID.

**Benefit Zone 2** parcels will receive a lower level of special benefits due to the nature of the land uses within Zone 2. Benefit Zone 2 includes those parcels along North Franklin Boulevard between Sutterville/12<sup>th</sup> Avenue and 47<sup>th</sup> Avenue which have tax exempt status and are not rented on a commercial basis. Those parcels include all: City of Sacramento, Sacramento City Unified School District, tax-exempt non-profit, ecumenical and single family residential land uses. These parcels are classified as Zone 2 parcels because they will primarily only benefit from the sidewalk operation services. In addition, they will be assessed a surcharge on their street frontage rate to cover a pro-rated portion of the program management, contingency and city/county fees. Zone 2 parcels will be assessed at a street frontage rate of \$4.14 per linear foot, to cover the basic special benefit sidewalk operations costs as well as the other described related costs. Zone 2 parcels will not be assessed for their parcel or building areas.

**Benefit Zone 3** includes a single parcel - the Campbell Soup manufacturing site. This unique parcel is by far the largest parcel of its kind in the area and is nonetheless part of the North Franklin Boulevard business community. This parcel is designated as a separate benefit zone because it will only primarily benefit from the sidewalk operations services along North Franklin and 47<sup>th</sup> Avenue. In addition, Zone 3 will be assessed a surcharge on its street frontage rate to cover a pro-rated portion of the program management, contingency and city/county fees. The single Zone 3 parcel will be assessed at a street frontage rate of \$3.74 per linear foot, to cover the basic special benefit sidewalk operations costs as well as the other described related costs. The single Zone 3 parcel will not be assessed for its parcel or building area.

**Benefit Zone 2 and 3 parcels** will only receive Sidewalk Operations (cleaning and sidewalk operations services and some District Identity services in the form of the banner program and listing in the Community Directory and web site. The higher street frontage assessment rates include the \$2.69 per linear foot, which funds the sidewalk operations special benefits, plus an additional assessment for program management costs, since building and parcel areas are not assessed in Zone 2 and 3. The funds generated from the higher street frontage assessments in Zone 2 will contribute to the program management a, contingency and City/County costs of the district. The funds generated from the higher street frontage assessment in Zone 3 (Campbell's) will contribute to the program management, contingency, City/County costs as well as some minor District Identity costs in the District.

**Benefit Zone 4** will include any and all future residential condominiums which currently don't exist in the PBID boundaries but are anticipated to be built within the boundaries of the District in the next 10 years. Benefit Zone 4 parcels (residential condominiums) will be assessed based on their individual building pad areas at the rate of \$0.30 per square foot. Zone 4 parcels will not be assessed for street frontage, or parcel area. The Zone 4 assessment revenue will fund a portion of the sidewalk operation services, administration services, City/County fees and contingency.

**Finding 2. From Section 4(a): “Separate general benefits (if any) from the special benefits conferred on parcel(s). Only special benefits are assessable. “**

As stipulated by Proposition 218, assessment District programs and activities may confer a combination of general and special benefits to parcels, but the only program benefits that can be assessed are those that provide special benefit to the individual properties within the District. For the purposes of this analysis, a “general benefit” is hereby defined as: “A benefit to parcels in the area and in the surrounding community or benefit to the public in general resulting from the improvement, activity, or service to be provided by the assessment levied”. “Special benefit” as defined by the California State Constitution means a distinct benefit over and above general benefits conferred on real property located in the District or to the public at large.

The land uses on specially benefitting identified parcels within the boundaries of the NFPBID are currently a mix of retail, commercial, office, industrial, ecumenical, civic, educational and parking. Services, programs and improvements provided by the District are exclusively designed to provide special benefits to individual identified parcels within the boundaries of the District.

Existing City of Sacramento services to individual assessed parcels will be enhanced, not replaced or duplicated, by NFPBID services. In the case of the NFPBID, the very nature of the purpose of this District is to fund supplemental programs, improvements and services within the NFPBID boundaries above and beyond what is being currently funded either via normal tax supported methods or other funding sources. These services, programs and improvements, are designed to enhance the individual assessed parcels within the District, increase tenancy and marketing of the parcels in the NFPBID, and improve the aesthetic appearance adjacent to individual identified parcels in the NFPBID for the direct special benefit to individual parcels within the District. All special benefits derived from the assessments to be levied on individual parcels within the NFPBID are for services, programs and improvements directly benefiting the individual assessed parcels within the District and support increased cleanliness, commerce, business attraction and retention, increased property rental income, enhance livability and improved District identity. No services will be provided beyond the NFPBID boundaries.

The North Franklin PBID Renewal Committee has prioritized the following categories of special benefit services for the proposed renewed district based upon the services that have been provided by the current district. The categories of special benefit services are provided below. Within each category, various special benefit services are identified which fall within that category. Changing demands for prioritization of one special benefit need over another may occur year to year.

The following detailed services, programs and improvements will provide special benefit to the identified parcels within the NFPBID boundaries and shall only be provided to parcels within the district and whose frequency is determined by their benefit zone:

**1. Sidewalk Operations, Beautification and Order:** this includes all sidewalk cleaning services, sidewalk steam cleaning services, graffiti removal, trash removal, and private security services. These services are estimated to cost \$59,000.00 or 42% of the first year annual budget of the renewed District. Examples of these special benefit services include, but are not limited to:

- Private security over and above those services currently provided by the Sacramento City Police and the Sacramento County Sheriff's Departments
- Regular sidewalk and gutter sweeping
- Regular sidewalk steam cleaning
- Beautification throughout the district
- Enhanced trash emptying
- Timely graffiti removal, within 24 hours as necessary

- Tree and vegetation maintenance
- Special events maintenance and security

The **Sidewalk Operations, Beautification and Order** will assist in enhancing the appearance, safety and attractiveness of the NFPBID area. This activity is designed to increase commerce, workability and livability, as applicable, for each individual assessed parcel within the District. Because these services will only be provided to each individual assessed parcel within the NFPBID boundaries, these services will constitute "special benefits".

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The following category of special benefit services shall only be provided to parcels within the district and whose frequency is determined by their benefit zone:

**2. District Identity:** These services include the newsletter, branding, publicity, special events, marketing and promotions, web site development and maintenance, and holiday decorations. These services are estimated to cost \$15,000.00 or 11% of the first year annual budget of the renewed district. Examples of these special benefit services include, but are not limited to:

- Web site development and updating
- Brochures
- Advertising
- Annual Holiday parade
- Special Events
- Holiday decorations
- Branding of North Franklin District
- Banner programs
- Public art displays
- Logo development
- Public space design and work
- Signage

The **District Identity** services and improvements will beautify and enhance the image of each individual parcel within the District and thereby increase commerce, workability and livability, as applicable, of individual assessed parcels in the District. This activity is designed to increase commerce and attract and retain new business and patrons within the PBID boundaries for the direct special benefit of each individual identified parcel within the District. Because the District Identity services and improvements will only be provided to each individual assessed parcel within the PBID boundaries, these improvements will constitute "special benefits".

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The following category of special benefit services allocated to individual parcels shall only be provided to parcels within the district and whose frequency is determined by their benefit zone:

**3. Program Management and Corporate Operations**. These services equal \$57,000.00 or 40% of the first year annual budget of the renewed district. Examples of these special benefit services and costs include, but are not limited to:

- Staff and administrative costs
- Insurance
- Office related expenses
- Rent
- Financial reporting and accounting
- Legal work

**Program Management and Corporate Operations** is key to the proper expenditure of NFPBID assessment funds and the administration of NFPBID programs and activities which are intended to promote commerce, workability and livability, as applicable, for individual assessed parcels within the District. Because Administration and Corporate Operation program exists only for the purposes of the PBID and will only be provided for matters which benefit each individual assessed parcel within the District, this program will constitute a "special benefit".

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The following category of special benefit services shall only be provided to parcels within the district and whose frequency is determined by their benefit zone:

**4. CONTINGENCY/RESERVE:      \$ 2,274.00                      2%**

Examples of these special benefit services and costs include, but are not limited to:

- Delinquencies
- Reserves

The **Contingency/Reserve** budget is designed to facilitate the viability of the District operation, services and programs which in turn will promote commerce, workability and livability, as applicable, for individual assessed parcels within the District. Because the contingency services will only be provided for the benefit of each individual assessed parcel within the District, this program constitutes a "special benefit".

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The following category of special benefit services shall only be provided to parcels within the district and whose frequency is determined by their benefit zone:

**5. CITY/COUNTY FEES:                      \$ 8,000.00                      5%**

Examples of these special benefit services and costs include, but are not limited to:

- City administration costs
- County costs

The **City/County Fees** budget is designed to facilitate the viability of the District operation, services and programs which in turn will promote commerce, workability and livability, as applicable, for individual assessed parcels within the District. Because the contingency services will only be provided for the benefit of each individual assessed parcel within the District, this program constitutes a "special benefit".

**SUMMARY OF YEAR 1 PROGRAM COSTS**

<i>Name of Program or Category of Service</i>	<i>Percent of First Year Annual Budget</i>	<i>Estimated First Year Costs of Special Benefit Services</i>
Sidewalk Operations, Beautification and Order	42%	\$ 59,000.00
District Identity	11%	\$ 15,000.00
Program Mgmt, Corp Operations	40%	\$ 57,000.00
Contingency	2%	\$ 2,274.00
City/County Fees	5%	\$ 8,000.00
<b>Total First Year Budget</b>	<b>100%</b>	<b>\$ 141,274.00</b>

10 Year Program Projected Cost Estimates  
(Based on 5% maximum annual increases\*)

<b>Budget</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Sidewalk Operations, Beautification and Order	\$59,000.00	\$61,950.00	\$65,047.50	\$68,299.88	\$71,714.87
District Identity	\$15,000.00	\$15,750.00	\$16,537.50	\$17,364.38	\$18,232.59
Program Management and Corporate Operations	\$57,000.00	\$59,850.00	\$62,842.50	\$65,984.63	\$69,283.86
Contingency/Reserve	\$2,274.00	\$2,387.70	\$2,507.09	\$2,632.44	\$2,764.06
City and County Fees	\$8,000.00	\$8,400.00	\$8,820.00	\$9,261.00	\$9,724.05
<b>Total</b>	<b>\$141,274.00</b>	<b>\$148,337.70</b>	<b>\$155,754.59</b>	<b>\$163,542.31</b>	<b>\$171,719.43</b>

\*Assessments will be subject to changes in the San Francisco All Urban Users Consumer Price Index (CPI), February to February, with annual increases not to exceed 5% per year. Increases will be determined by the Owners' Association and in no case shall annual increases exceed 5% per year, nor shall they exceed the actual CPI increase in a given year.

10 Year Program Projected Cost Estimates (cont.)  
(Based on 5% maximum annual increases\*)

<b>Budget</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Sidewalk Operations, Beautification and Order	\$75,300.61	\$79,065.64	\$83,018.92	\$87,169.87	\$91,528.36
District Identity	\$19,144.22	\$20,101.43	\$21,106.51	\$22,161.83	\$23,269.92
Program Management and Corporate Operations	\$72,748.05	\$76,385.45	\$80,204.72	\$84,214.96	\$88,425.71
Contingency/Reserve	\$2,902.26	\$3,047.38	\$3,199.75	\$3,359.73	\$3,527.72
City and County Fees	\$10,210.25	\$10,720.77	\$11,256.80	\$11,819.64	\$12,410.63
<b>Total</b>	\$180,305.40	\$189,320.67	\$198,786.71	\$208,726.04	\$219,162.34

\*Assessments will be subject to changes in the San Francisco All Urban Users Consumer Price Index (CPI), February to February, with annual increases not to exceed 5% per year. Increases will be determined by the Owners' Association and in no case shall annual increases exceed 5% per year, nor shall they exceed the actual CPI increase in a given year.

Unexpended NFPBID assessment funds remaining near the end of the current NFPBID term may be used to develop the next renewal Management District Plan and Engineer's Report.

In conclusion, relative to the NFPBID funded work program, all of the above described services, activities and improvements work together to create a more pleasing environment within the District that is conducive to strengthening the current and future economic vitality of this area through increased commerce, workability and livability, as applicable, for the direct benefit of individual assessed parcels within the District. The programs, improvements and services are designed to specifically benefit identified assessed parcels within the NFPBID boundaries. The proposed NFPBID assessments will only be levied on identified parcels within the NFPBID boundaries and assessment revenues will be spent to deliver services that provide a direct and special benefit to assessed parcels and to improve the economic vitality of these parcels. Inasmuch as no services will be provided beyond the NFPBID boundaries to the surrounding communities or to the public in general, any general benefit is unintentional. It is hereby determined that general benefits, if any, are not quantifiable, measurable, or tangible.

**Finding 3. From Section 4(a): “(Determine) the proportionate special benefit derived by each parcel in relationship to the entirety of the.....cost of public improvement(s) or the maintenance and operation**

**expenses.....or the cost of the property related service being provided.**

Each identified parcel within the district will be assessed based on property characteristics unique only to that parcel. The calculated assessment rates are applied to the actual measured parameters of each parcel and thereby are proportional to each and every other identified parcel within the district as a whole. In Zone 1, larger parcels and ones with larger buildings and street frontages are expected to impact the demand for services and programs to a greater extent than smaller ones and thus are assigned a higher proportionate degree of assessment program and service costs. In Zones 2 and 3, parcels with larger street frontages are expected to impact the demand for services and programs to a greater extent than smaller ones and thus are assigned a higher proportionate degree of assessment program and service costs. The proportionality is further achieved by setting targeted formula component weights for the respective parcel by parcel identified land attributes.

The proportionate special benefit cost for each parcel has been calculated based on optimum proportionate formula components and is listed as an attachment to the Management District Plan and this Report. The individual percentages (i.e. proportionate relationship to the total special benefit related program and activity costs) is computed by dividing the individual parcel assessment by the total special benefit program costs.

**Finding 4. From Section 4(a): “No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel.”**

Not only are the proposed program costs reasonable due to the benefit of group purchasing and contracting which would be possible through the NFPBID, they are also considerably less than other options considered by the NFPBID renewal proponent group. The actual assessment rate for each parcel within the NFPBID directly relate to the level of service to be provided based on the respective benefit zone, street frontage, land area and /or building area of each parcel, depending on the respective benefit zone.

**Finding 5. From Section 4(a): “Parcels.....that are owned or used by any (public) agency shall not be exempt from assessment.....”**

There are 2 publicly owned parcels within the District. It is assumed that the City of Sacramento and other government entities will pay assessments for the public property within the boundaries of the District. Article XIII D, Sec 4 of the California Constitution was added in November of 1996 to provide for assessments of government owned properties.

In the opinion of this Engineer, all identified government owned parcels within the District will receive special benefits, commensurate with the assessments paid into the District. The publicly owned parcels are presumed to benefit in proportion to their assessments equally to the privately owned parcels, consistent with their location within

their respective benefit zones. Real and tangible special benefit services will be provided to all individual parcels within the District, whether owned by public or private entities. There is no clear and convincing evidence that publicly owned parcels would not benefit from District funded programs and services other than as noted above.

A list of publicly owned parcels within the District and their respective assessment amounts and percent of the total assessment is shown below.

**Government Owned Parcels within the NFPBID**

APN	Legal Owner	Site Street	Annual Assessment	Percent
022 0221 036 0000	City of Sacramento	5303 Franklin Blvd.	\$1,124.05	0.07%
025 0202 005 0000	Sacramento City Unified School District	3301 37 <sup>th</sup> Avenue	\$964.62	0.006%

**Finding 6. From Section 4(b): “All assessments must be supported by a detailed engineer’s report prepared by a registered professional engineer certified by the State of California”.**

This report serves as the “detailed engineer’s report” to support the benefit property assessments proposed to be levied within the NFPBID.

**Finding 7. From Section 4(c): “The amount of the proposed assessment for each parcel shall be calculated (along with) the total amount thereof chargeable to the entire district, the duration of such payments, the reason for such assessment and the basis upon which the amount of the proposed assessment was calculated.”**

The individual and total parcel assessments attributable to special property benefits are shown on Appendix 1 to the Management District Plan and this Report. The District and resultant assessment payments will continue for 10 years and may be renewed again at that time. The reasons for the proposed assessments are outlined in Finding 2 above as well as in the Management District Plan. The calculation basis of the proposed assessment is attributed to street frontage, land area and/or building area, depending on the respective benefit zone. There are four benefit zones.

Assessment Formula Methodology

**Step 1. Select “Basic Benefit Unit(s)”**

NFPBID assessment formulas typically are based on either property street frontage or parcel and building size or location, all which relate to the amount of special benefit conferred on a particular parcel and the proportionate assessment to be paid. The formula may base assessments on a single factor or a combination of factors.

Based on the specific needs and corresponding nature of the program activities to be funded by the NFPBID (i.e. sidewalk operation services, district identity, program management/corporate operations, contingency/reserves and City/County fees) it is the opinion of this Assessment Engineer that the assessment factors on which to base assessment rates relate directly to the proportionate amount of street frontage, land area, and building area depending on the respective benefit zone, and building pad area for future residential condominiums. Services will be provided only to and for the special benefit of identified individual assessed parcels within the District.

For commercial uses, the interactive or singular application of street frontage, land area and/or building area quantities are a proven method of fairly and equitably spreading special benefit costs to these primary beneficiaries of NFPBID funded services, programs and improvements. Each of these factors directly relates to the degree of benefit each parcel will receive from NFPBID funded activities.

For future residential condominiums, the use of net building pad area is the most equitable method of spreading special benefit costs to this specialized beneficiary (residential condominium uses) of focused NFPBID funded services, programs and improvements tailored uniquely for this land use and ownership category.

Street frontage is a direct measure of the static utilization of each parcel and its corresponding impact or draw on NFPBID funded activities such as sidewalk operation services. In the opinion of this Assessment Engineer, the targeted weight of this factor, street frontage, should generate approximately 45% of the total NFPBID revenue based on program needs, priorities and corresponding costs.

Land area is a direct measure of the current and future development capacity of each parcel and its corresponding impact or draw on NFPBID funded activities such as administration/corporate operations and contingency/reserves. In the opinion of this Assessment Engineer, the targeted weight of this factor, land area, should generate approximately 40% of the total NFPBID revenue based on program needs, priorities and corresponding costs.

Building Area is a direct measure of the dynamic utilization of each parcel and its corresponding impact or draw on NFPBID funded activities such as district identity based on development density. In the opinion of this Assessment

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Engineer, the targeted weight of this factor, building area, should generate approximately 15% of the total NFPBID revenue based on program needs, priorities and corresponding costs.

The “Basic Benefit Units” will be expressed as a combined function of street frontage (Benefit Unit “A”), land area (Benefit Unit “B”), building area (Benefit Unit “C”) and for residential condominiums, building pad area (Benefit Unit “D”). Based on the shape of the NFPBID, as well as the nature of the District program elements, it is determined that all identified parcels will gain a direct and proportionate degree of benefit based on the respective amount of street frontage, land area and building area in Zone 1, street frontage within Zones 2 and 3, and residential condominiums building pad area in Zone 4.

### **Tax-exempt Parcels**

The 1994 Law, in Section 36622(k), states that the Management District Plan, *“may provide that all or any class or category of real property which is exempt by law from real property taxation may nevertheless be included within the boundaries of the district but shall not be subject to assessment on real property.”*

Real property which is partially tax-exempt shall be assessed in equal proportion to its exemption; e.g. if a parcel is 50% tax-exempt, it will pay 50% of the assessment rate for its benefit zone and classification. Real property which is fully tax-exempt and has not submitted a signed statement agreeing to be assessed will not be assessed. Real property which is fully tax-exempt and has submitted a signed statement agreeing to be assessed will be assessed at the corresponding rate for its zone and classification.

Real property which is tax-exempt and does not pay the district assessment shall not receive, nor benefit from, any of the district’s services. Fully tax-exempt parcels which have submitted signed statements and are paying the full assessment rate for their zone and classification shall receive and benefit from all of the district’s services for their benefit zone and classification. Partially tax exempt parcels shall receive and benefit from the services provided to their zone and classification proportionally to the amount of assessment paid by each parcel.

It is noted that the Property Owner’s Association (POA) which contracts with the City of Sacramento to receive PBID funds and manage PBID programs and services shall be prohibited from providing any PBID funded improvement, service or program that directly benefits any non-identified non-contributing parcel within the District boundary in any manner. This provision shall be overtly stipulated in any sub-contractor service agreements issued by the PBID POA and shall be strictly enforced at all times.

So as to preclude the remaining assessed PBID parcels from subsidizing or giving the appearance of subsidizing benefits to tax-exempt non-contributing or partially contributing parcels, the POA shall annually prepare a detailed service and improvement plan delineating specific measures taken to guarantee that tax-exempt parcels will receive

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no special benefits or only limited partial special benefits proportional to their respective voluntary monetary contributions.

### **Mobile Home Park**

The Cozy Villa Mobile Home Park is located in Zone 1, but in the opinion of this Assessment Engineer, will be assessed in the same manner and rate as Zone 2 parcels – i.e. street frontage at the rate of \$4.14 per linear foot of street frontage. The rationale for this assessment methodology is that this is a single parcel that rents physical land space to multiple third party residents and the special benefits provided to this parcel only relate to the perimeter sidewalk services and a pro-rated portion of the management and operation services, contingency and fees. This parcel and land use do not directly benefit from the commercial oriented identity and special events and thus, are not assessed for building area or land area factors which relate more to these types of activities.

### **Residential and Commercial Condominiums**

Future residential condominium unit parcels, regardless of location will be designated as Benefit Zone 4 and will be assessed at a rate of \$0.30 per livable unit building pad area. All residential condominium parcels will be assessed based upon their verifiable building square foot size per condo. These assessments will fund special benefit services that are delivered directly adjacent to the individual parcels where they are located.

Any future ground floor commercial condos (retail or office) generally will be assessed based on actual land area covered, condo building pad area and direct street frontage for each unit. Because such uses are typically developed as part of a multi-floor mixed-use complex, special methodologies are needed to address the levy of assessments on such land uses.

Mixed-use rental uses, if any, and multi-floor mixed-use condominium uses will be assessed in accordance with the following assessment methodology:

#### Mixed –Use Ground floor Commercial and Upper Residential Rental

- Building area at building area rate for Zone 1 commercial and multi-family residential rental building areas
- Land area at Zone 1 land area rate
- Street frontage at respective Zone 1,2 or 3 street frontage rate

#### Multi–Floor Commercial Only Condominiums

- Building pad area at Zone 1 building area rate
- Land area at Zone 1 land area rate but pro-rated for each unit based on ratio of unit building area to total building area
- Street frontage at respective Zone 1, 2 or 3 street frontage rate but pro-rated for each unit based on ratio of unit building area to total building area

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Mixed-Use Commercial Condos and Residential Condominiums

- Commercial building pad area at Zone 1 commercial building area rate and at residential condominium building rate for residential condominium building pad area
- Land area at Zone 1 land area rate (assessed on ground floor commercial condo parcels for actual land area covered)
- Street frontage at respective Zone 1, 2 or 3 street frontage rate (assessed on ground floor commercial condo parcels for actual street frontage)

**Future Development**

As future new development occurs within the District, current property characteristics and parcel configurations may also change. This may occur due to various land related modifications such as new subdivisions, lot line adjustments, reversions to acreage and parcel consolidations. In turn, street frontage measurements, parcel size and building areas and land uses may also change. Any such modifications will result in recalculation of assessments for new and/or modified parcels based on assessment rates in affect when such changes occur in accordance with future maximum rates and the assessment methodology delineated in this Report..

It is noted that any change in assessment formula methodology or rates other than as stipulated in this Report would require a new Proposition 218 ballot procedure in order to approve any such changes.

**Step 2. Quantify Total Basic Benefit Units**

Taking into account all identified benefiting parcels and their respective assessable benefit units, there are 22,130 Benefit “A” Units, 2,890,620 Benefit “B” Units, 591,074 Benefit “C” Units, and, 0 Benefit “D” Units.

A breakdown of benefit units by Zone and rate factor is shown in the chart below:

**NFPBID Benefit Units By Zone**

<i>Benefit Zone</i>	<i>Street Frontage Total (Lin Ft) “A” Units</i>	<i>Land Area Total (Sq Ft) “B” Units</i>	<i>Building Area Total (Sq Ft) “C” Units</i>	<i>Residential Condo Building Area Total (Sq Ft) “D” Units</i>
1	14,120	2,877,123	588,899	NA
2	1,597	NA	NA	NA
3	4,523	NA	NA	NA
4	NA	NA	NA	0
Total	20,240	2,877,123	588,899	0

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**Step 3. Calculate Benefit Units for Each Property.**

The number of Benefit Units for each identified benefiting parcel within the NFPBID was computed from data extracted from City and County Assessor records and maps. These data sources delineate current land uses, building areas, property areas and dimensions of record for each tax parcel. While it is understood that this data does not represent legal field survey measurements or detailed title search of recorded land subdivision maps or building records, it does provide an acceptable basis for the purpose of calculating property based assessments. All respective property data being used for assessment computations will be provided to each property owner in the NFPBID for their review. All known or reported discrepancies, errors or misinformation will be corrected.

**Step 4. Determine Assessment Formula**

In the opinion of this Engineer, the NFPBID assessment is to be based on four Basic Benefit Unit factors; street frontage (Benefit “A” Unit), parcel size (Benefit “B” Units), building size (Benefit “C” Units), and residential condominium building pad size (Benefit “D” Units) within four (4) Benefit Zones. Future residential condominium assessments will be based solely on the actual building pad size of each dwelling unit due to the unique but limited benefits derived by this land use.

Based on estimated program costs for each benefit zone it is the opinion of this Engineer that the assessment weighted targets should be levied approximately 85% (83.34725% adjusted) on Zone 1, approximately 5% (4.67885% adjusted) on Zone 2, approximately 10% (11.97389% adjusted) on Zone 3 and, at this time, 0% on Zone 4.

In the opinion of this Engineer, in each Benefit Zone, each applicable formula element - i.e. street frontage, land area and building area will be assigned a targeted weight as well.

In Zone 1, frontage is weighted at 30% (32.25879% adjusted), land area at 50% (48.86916% adjusted) and building area at 20% (18.87109% adjusted).

In Zone 2, frontage is weighted at 100%, land area at 0% and building area at 0%.

In Zone 3, frontage is weighted at 100%, land area at 0% and building area at 0%.

In Zone 4, frontage is weighted at 0%, land area at 0% and building pad area at 100%.

The resulting unit assessment rates are computed as follows:

*It is noted that the reason that the targeted formula factor weights are adjusted from the initial target weights is due*

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*to a simplicity rounding that occurs when calculating the actual Year 1 assessment rates for the proposed District. If actual calculated rates based on initial “whole” percentage target weights were used, the resulting assessment formula rates would need to be expressed in rather odd numbers requiring up to 8-10 decimal place expressions. Thus, for simplicity purposes, it is deemed appropriate to round the Year 1 assessment rates when explaining the assessment formula and rates to property owners who will be considering signing support petitions and ultimately casting ballots. It is further noted that Year 2 through 10 assessment rates may be increased up to 5% each year and the resulting calculated rates will become the actual computed numbers which will require possibly 8-10 decimal place expressions.*

The assessment formula rates are now calculated using the weight factors delineated above for each Zone and each applicable assessment factor:

**Assessment Formula Rate Calculations:**

**Zone 1**

Frontage: (Benefit Unit “1-A”) =  $\$141,274 \times 83.34725\% \times 32.25879\% / 14,120 \text{ units} = \$2.69/\text{unit}$

Land Area: (Benefit Unit “1-B”) =  $\$141,274 \times 83.34725\% \times 48.86916\% / 2,877,123 \text{ units} = \$0.02/\text{unit}$

Building Area: (Benefit Unit “1-C”) =  $\$141,274 \times 83.34725\% \times 18.87109\% / 588,899 \text{ units} = \$0.037732/\text{unit}$

**Zone 2**

Frontage: (Benefit Unit “2-A”) =  $\$141,274 \times 4.67885\% \times 100\% / 1,597 \text{ units} = \$4.14/\text{unit}$

**Zone 3**

Frontage: (Benefit Unit “3-A”) =  $\$141,274 \times 11.97389\% \times 100\% / 4,523 \text{ units} = \$3.74/\text{unit}$

**Zone 4 (Future Residential Condominiums)**

Building Pad Area: (Benefit Unit “D”) =  $\$0.30/\text{unit}$

**Assessment Rate Formula Application:**

The assessment formula for Zone 1 parcels is:

Frontage x Frontage Zone Rate + Land Area x Land Area Zone Rate + Building Area x Building Area Zone Rate

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The assessment formula for Zone 2 parcels is:

Frontage x Zone 2 Frontage Rate

The assessment formula for Zone 3 parcels is:

Frontage x Zone 3 Frontage Rate

The assessment formula for Zone 4 parcels is:

Condo Building Pad Area x Condo Building Pad Area Rate

**Step 5. Estimate Total District Costs**

The total District costs for 2013-2022 of the NFPBID are shown in the tables on pages 10-11.

**Step 6. Separate General Benefits from Special Benefits and Related Costs (Prop 218)**

All benefits derived from the assessments outlined in the Management District Plan and this Report are for supplemental services, programs and improvements directly benefiting the identified parcels within the NFPBID. All NFPBID funded activities are provided solely to parcels within the NFPBID. All services will be delivered only within the boundaries and designed only for the direct special benefit of the identified assessed parcels in the NFPBID. No services will be provided to non-assessed parcels outside the NFPBID boundaries. Any potential spill over effect is unquantifiable as previously discussed in this report. Thus, all general benefits (if any) within or outside of the NFPBID, are inadvertent, intangible and immeasurable. Total District revenues are shown below.

**Total 2013 District Revenues**

<b>Funding Source</b>	<b>Revenue</b>	<b>% of Total</b>
NFPBID Assessments	\$141,274	100.00%
<b>TOTAL DISTRICT REVENUE</b>	<b>\$141,274</b>	<b>100.00%</b>

**Step 7. Calculate “Basic Unit Cost”**

With a 2013 assessment revenue projection of \$141,274 (special benefit only), the Basic Unit Costs are shown on pages 10-11. Since the renewed NFPBID is being proposed for a 10 year term, maximum assessment rates for future years (2014-2022) must be set at the inception of the proposed NFPBID. *An annual flat inflationary assessment rate increase of up to 5% may be imposed each year for 2014-2022*, based on approval by the NFPBID Property Owner’s Association and tied to the regional stipulated CPI. The maximum assessment rates for 2013-2022 are

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shown below. The assessment rates listed constitute the starting basis of assessment for future years of the NFPBID (2013-2022).

**2013-2022 Maximum District Assessment Rates (assumes 5% max annual increase)**

**ZONE 1**

<b>Projected Assessment</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Linear Feet</b>	\$ 2.69	\$2.82	\$2.97	\$3.11	\$3.27
<b>Lot Square Footage</b>	\$0.02	0.021	0.022	0.023	0.024
<b>Building Square Footage</b>	\$0.03772	\$0.039619	\$0.041600	\$0.043680	\$0.045863

<b>Projected Assessment</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Linear Feet</b>	\$3.43	\$3.60	\$3.79	\$3.97	\$4.17
<b>Lot Square Footage</b>	0.026	0.027	0.028	0.030	0.031
<b>Building Square Footage</b>	\$0.048157	\$0.050564	\$0.053093	\$0.055747	\$0.058535

**ZONE 2**

<b>Projected Assessment</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Linear Feet</b>	\$ 4.14	\$4.35	\$4.56	\$4.79	\$5.03
<b>Residential Building Square Footage</b>	\$0.30	\$0.315000	\$0.330750	\$0.347288	\$0.364652

<b>Projected Assessment</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Linear Feet</b>	\$5.28	\$5.55	\$5.83	\$6.12	\$6.42
<b>Residential Building Square Footage</b>	\$0.382884	\$0.402029	\$0.422130	\$0.443237	\$0.465398

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**ZONE 3**

<b>Projected Assessment</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Linear Feet</b>	\$3.74	\$3.93	\$4.12	\$4.33	\$4.55

<b>Projected Assessment</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Linear Feet</b>	\$4.77	\$5.01	\$5.26	\$5.53	\$5.80

**ZONE 4**

<b>Projected Assessment</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Residential Building Square Footage</b>	\$0.30	\$0.315000	\$0.330750	\$0.347288	\$0.364652
<b>Projected Assessment</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Residential Building Square Footage</b>	\$0.382884	\$0.402029	\$0.422130	\$0.443237	\$0.465398

**Step 8. Spread the Assessments**

The resultant assessment spread calculation results for each parcel within the NFPBID are shown in the Management District Plan and were determined by applying the District assessment formula to each identified benefiting property.

# APPENDIX 1

## 2013 ASSESSMENT ROLL

**NORTH FRANKLIN PROPERTY BUSINESS IMPROVEMENT DISTRICT**

<b>APN</b>	<b>Zone</b>	<b>2013 Assm't</b>			
019 0010 001 0000	1	\$3,352.64	020 0011 001 0000	1	\$668.71
019 0041 008 0000	1	\$663.08	020 0011 012 0000	2	\$0.00
019 0043 009 0000	1	\$1,008.44	020 0012 001 0000	2	\$0.00
019 0043 012 0000	1	\$273.27	020 0012 010 0000	1	\$273.56
019 0043 013 0000	1	\$407.36	020 0012 011 0000	2	\$0.00
019 0043 016 0000	1	\$402.19	020 0012 012 0000	2	\$0.00
019 0043 017 0000	2	\$165.60	020 0012 013 0000	2	\$0.00
019 0043 018 0000	1	\$269.30	020 0044 003 0000	2	\$312.32
019 0043 033 0000	1	\$689.13	020 0044 004 0000	1	\$655.48
019 0043 034 0000	1	\$490.47	020 0044 017 0000	2	\$178.02
019 0043 035 0000	1	\$644.66	020 0044 018 0000	1	\$576.15
019 0061 049 0000	1	\$609.59	020 0044 019 0000	1	\$4,249.30
019 0065 005 0000	1	\$471.13	020 0111 006 0000	1	\$184.27
019 0066 005 0000	1	\$1,183.68	020 0111 007 0000	1	\$150.08
019 0066 006 0000	1	\$1,037.11	020 0111 026 0000	1	\$374.36
019 0066 007 0000	1	\$926.76	020 0111 037 0000	1	\$730.66
019 0066 016 0000	1	\$1,032.28	020 0111 038 0000	1	\$346.67
019 0081 023 0000	1	\$1,511.40	020 0111 041 0000	1	\$688.41
019 0082 030 0000	1	\$654.46	020 0111 043 0000	1	\$1,016.11
019 0082 031 0000	1	\$2,308.72	020 0111 044 0000	1	\$350.20
019 0101 019 0000	1	\$876.69	020 0201 001 0000	2	\$0.00
019 0101 020 0000	1	\$267.44	020 0201 013 0000	1	\$868.78
019 0101 030 0000	1	\$932.00	020 0201 018 0000	1	\$0.00
019 0102 004 0000	1	\$3,386.67	020 0202 001 0000	1	\$628.71
019 0131 012 0000	1	\$875.84	020 0202 007 0000	1	\$442.25
019 0131 013 0000	1	\$467.74	020 0202 008 0000	1	\$185.13
019 0131 014 0000	1	\$406.83	020 0202 009 0000	1	\$340.22
019 0131 015 0000	1	\$431.68	020 0261 001 0000	1	\$237.47
019 0131 016 0000	1	\$283.69	020 0261 002 0000	1	\$158.09
019 0131 017 0000	1	\$481.00	020 0261 003 0000	1	\$379.19
019 0134 001 0000	1	\$522.38	020 0261 009 0000	1	\$360.88
019 0134 002 0000	1	\$285.04	020 0261 010 0000	1	\$216.42
019 0134 003 0000	1	\$781.38	020 0261 011 0000	1	\$258.65
019 0134 004 0000	1	\$378.74	020 0263 002 0000	1	\$285.16
019 0161 019 0000	1	\$736.90	020 0263 003 0000	1	\$435.03
019 0161 048 0000	1	\$4,490.05	020 0263 019 0000	1	\$133.46
019 0161 054 0000	1	\$977.55	020 0263 020 0000	2	\$169.74
019 0161 055 0000	1	\$696.77	022 0011 001 0000	1	\$345.95
019 0191 014 0000	1	\$416.60	022 0011 002 0000	1	\$243.87
019 0191 015 0000	1	\$410.25	022 0011 003 0000	1	\$254.43
019 0191 016 0000	1	\$1,864.66	022 0012 001 0000	1	\$306.94
019 0191 017 0000	1	\$266.81	022 0012 021 0000	2	\$211.10
019 0191 018 0000	1	\$2,242.46	022 0012 022 0000	2	\$211.10
019 0191 022 0000	1	\$481.22	022 0012 026 0000	1	\$1,004.41
019 0191 080 0000	1	\$2,260.99	022 0081 001 0000	1	\$472.59
019 0221 012 0000	1	\$1,328.83	022 0081 025 0000	1	\$468.12
019 0221 044 0000	1	\$897.05	022 0081 031 0000	1	\$566.30
019 0221 046 0000	1	\$2,195.41	022 0081 032 0000	1	\$597.08
019 0221 047 0000	1	\$781.53	022 0082 019 0000	1	\$498.03

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022 0082 020 0000	1	\$584.82	025 0231 032 0000	2	\$360.18
022 0082 029 0000	1	\$491.29	025 0232 024 0000	2	\$496.80
022 0082 030 0000	1	\$563.36	025 0232 028 0000	2	\$0.00
022 0151 001 0000	1	\$237.27	026 0012 001 0000	2	\$322.92
022 0151 024 0000	1	\$749.12	026 0012 002 0000	2	\$152.27
022 0151 036 0000	1	\$1,873.12	026 0012 003 0000	1	\$928.35
022 0152 001 0000	1	\$1,182.07	026 0013 003 0000	1	\$954.55
022 0221 023 0000	1	\$948.96	026 0013 017 0000	1	\$2,558.32
022 0221 025 0000	1	\$2,829.63	026 0110 001 0000	2	\$0.00
022 0221 035 0000	1	\$3,225.87	026 0300 001 0000	1	\$584.58
022 0221 036 0000	2	\$1,124.05	026 0300 003 0000	1	\$1,183.09
025 0091 010 0000	1	\$646.90	026 0300 008 0000	1	\$887.00
025 0091 011 0000	1	\$645.39	026 0300 016 0000	1	\$3,408.42
025 0091 012 0000	1	\$1,437.94	036 0010 008 0000	3	\$16,915.83
025 0091 013 0000	1	\$404.95	037 0011 044 0000	1	\$1,526.40
025 0091 014 0000	1	\$437.77	037 0011 048 0000	1	\$306.70
025 0091 015 0000	1	\$347.40	037 0011 049 0000	1	\$683.46
025 0091 016 0000	1	\$365.08	037 0011 051 0000	1	\$1,366.70
025 0091 017 0000	1	\$371.44	037 0011 056 0000	2	\$0.00
025 0092 015 0000	2	\$248.40	037 0011 057 0000	2	\$0.00
025 0092 016 0000	1	\$375.99	037 0091 008 0000	1	\$958.51
025 0092 017 0000	1	\$355.82	037 0091 029 0000	1	\$940.71
025 0171 020 0000	1	\$413.95	037 0092 008 0000	1	\$1,117.07
025 0171 021 0000	2	\$256.68	037 0092 011 0000	1	\$1,157.47
025 0171 024 0000	1	\$1,097.46	037 0171 007 0000	1	\$425.72
025 0172 044 0000	1	\$1,934.60	037 0171 011 0000	1	\$1,008.63
025 0173 020 0000	2	\$0.00	037 0171 014 0000	2	\$248.40
025 0173 021 0000	2	\$0.00	037 0171 015 0000	2	\$41.40
025 0173 022 0000	2	\$0.00	037 0172 017 0000	1	\$598.57
025 0173 024 0000	2	\$0.00	037 0172 018 0000	1	\$811.35
025 0173 025 0000	1	\$431.46	037 0172 019 0000	1	\$373.17
025 0201 014 0000	1	\$319.78	037 0242 027 0000	1	\$1,185.85
025 0201 034 0000	1	\$1,150.23	037 0242 028 0000	1	\$1,048.60
025 0202 005 0000	2	\$1,006.02	037 0243 024 0000	1	\$952.65
025 0231 015 0000	2	\$186.30	037 0243 025 0000	1	\$125.67
025 0231 016 0000	2	\$227.70	037 0243 030 0000	1	\$922.73
025 0231 017 0000	2	\$691.38			