



# City of Sacramento City Council

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915 I Street, Sacramento, CA, 95814  
[www.CityofSacramento.org](http://www.CityofSacramento.org)

**Meeting Date:** 6/7/2012

**Report Type:** Consent

**Title:** Downtown Sacramento Property and Business Improvement District – FY2012/13 Annual Proceedings

**Report ID:** 2012-00158

**Location:** District 3, 4

**Recommendation:** Pass a Resolution approving the Downtown Sacramento PBID Annual report, establishing a budget and levying an assessment for Fiscal Year (FY) 2012/13

**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:** 06001321

**Attachments:**

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

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**City Attorney Review**

Approved as to Form  
Jeffrey Heeren  
5/22/2012 5:58:24 PM

**City Treasurer Review**

Reviewed for Impact on Cash and Debt  
John Colville  
5/17/2012 1:39:13 PM

**Approvals/Acknowledgements**

Department Director or Designee: Leyne Milstein - 5/22/2012 10:37:48 AM

## Description/Analysis

**Issue:** The PBID Law of 1994 requires the Downtown Sacramento PBID (District) to file an Annual Report (Report) with the City Clerk and for City Council to approve the Report as filed, together with assessments and budgets for Fiscal Year (FY) 2012/13. Approval of the District's Report will authorize the City to collect assessments in the amount sufficient to provide funding for: 1) economic development, marketing, safety programs, and maintenance services within the District for FY2012/13 and; 2) to establish the associated budget.

The Report does not change the scope of services or any other aspect of the District's legal structure as established in the Management District Plan approved at formation of the District. The assessment rates for FY2012/13 are proposed to increase by 3% from the previous year in order to compensate for higher business costs and to avoid a reduction in services.

The District Advisory Board has prepared the Report, which is on file with Public Improvement Financing, which the City Clerk has designated as the custodian of such records. The report addresses the proposed budgets, assessments, and services to be provided.

**Policy Considerations:** This action is consistent with the requirements of state law and will continue to provide funding for a multitude of services including within the District.

### Environmental Considerations:

**California Environmental Quality Act (CEQA):** Under CEQA guidelines, annual proceedings of a Special District do not constitute a project, and are therefore exempt from review.

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

**Commission/Committee Action:** None.

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

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

Assessments will increase by 3% from the current year. The City of Sacramento participates as a property owner in the District. City-owned properties will have a total annual assessment of approximately \$424,962. As the Redevelopment Agency

Successor Agency, the City will also pay an additional \$60,450 this year for a total annual assessment of about \$485,412. Funding to pay the City's assessment is included in the FY2012/13 Proposed Budget.

The District assessment budget for FY2012/13 is \$2,527,038, as shown on Exhibit B to the resolution. The District will receive a disbursement of approximately \$3,178,210 for operations, which includes the assessment plus a \$654,700 carryover fund balance less \$3,528 for City administrative costs. The annual operating budget for the District will be adjusted to reflect the Council approved assessments and expenditure plans.

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



## **SCHEDULE OF PROCEEDINGS**

### **DOWNTOWN SACRAMENTO PROPERTY AND BUSINESS IMPROVEMENT DISTRICT NO. 2005-02 FY2012/13 SCHEDULE**

<b>June 7, 2012</b>	<b>Council Approves District Budget and Orders Annual Levy for FY2012/13</b>
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August 2012      Assessment Tax Roll to County



## RESOLUTION NO.

Adopted by the Sacramento City Council

### **APPROVING THE ANNUAL REPORT FOR THE DOWNTOWN SACRAMENTO PROPERTY AND BUSINESS IMPROVEMENT DISTRICT (PBID) AND LEVYING ASSESSMENT FOR FISCAL YEAR (FY) 2012/13**

#### **BACKGROUND**

- A.** The Downtown Sacramento Property and Business Improvement District (“District”), the boundaries of which are depicted in Exhibit A, was renewed by the City Council and the property owners on June 14, 2005, for a 10 year term commencing January 1, 2006.
- B.** The City Council established the District under the Property and Business Improvement District Law of 1994 (California Streets and Highway Code, Sections 36600 to 36671) (“PBID Law”) and has previously levied assessments on property in the District to pay for improvements and services to be provided within the District, in accordance with the PBID Law.
- C.** The District provides for economic development, marketing, safety, and maintenance services with the intent of continuing to create a positive atmosphere in the District. All services are as defined within the Annual Report, and by reference made a part of this resolution which is separately bound and on file with Public Improvement Financing, which the City Clerk has designated as the custodian of such records.
- D.** The FY2012/13 assessment rates will increase 3% from the previous year, and are still below the highest authorized amount for the District.
- E.** The City Council is fully advised in this matter.

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

**Section 1.** The City Council finds that the background statements in paragraphs A through E are true and correct.

**Section 2.** The annual budget and assessments as set forth in the FY2012/13 Annual Report are authorized.

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

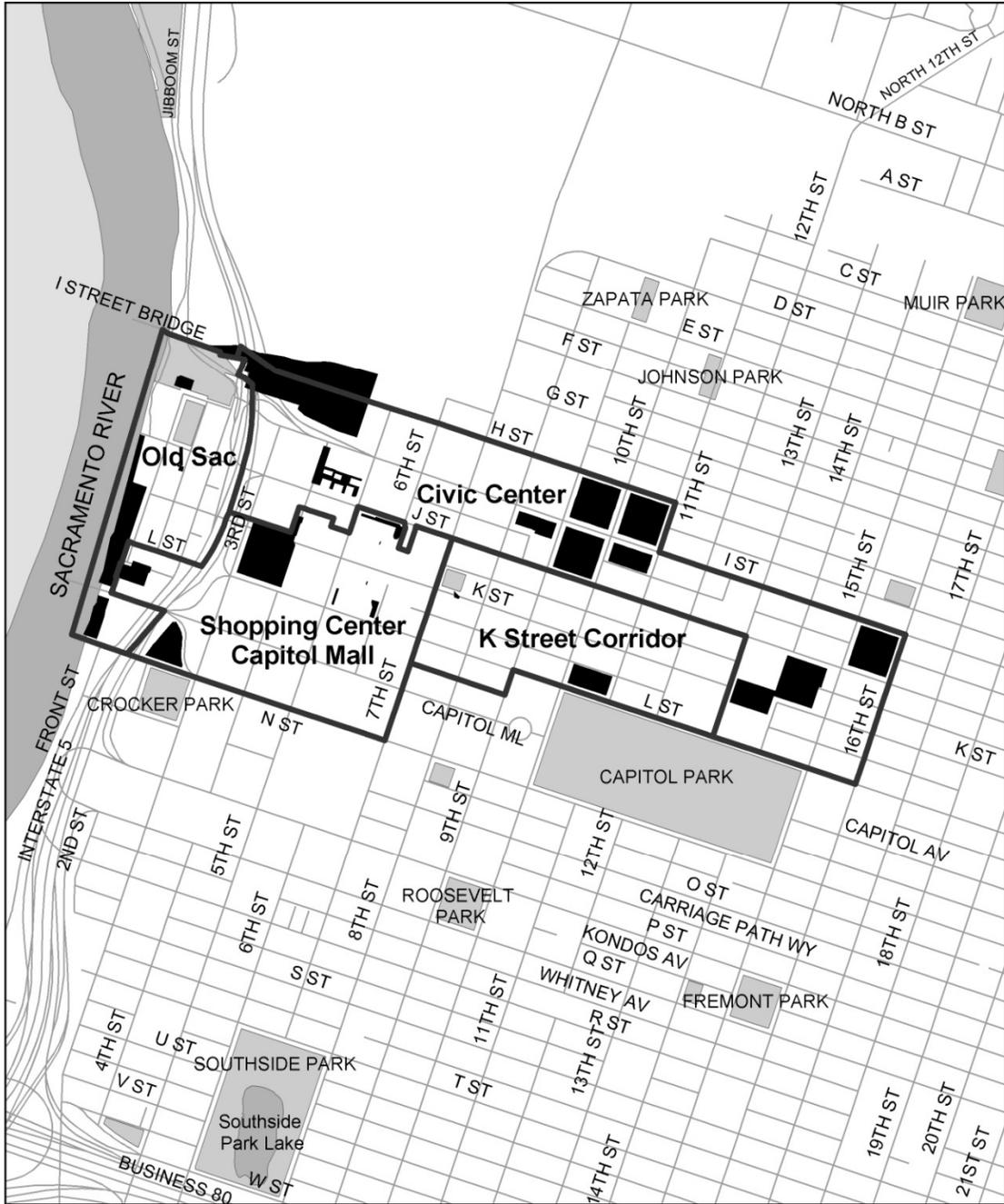
#### **Table of Contents:**

Exhibit A: District Map

Exhibit B: FY2012/13 District & Parcel Assessment

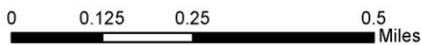
EXHIBIT A

**Downtown Sacramento  
Property and Business Improvement District (PBID) 2005-02**



G.I.S.  
City of Sacramento  
Department of Finance  
B Mueller 05/16/11

-  Downtown Sacramento PBID
-  City Owned Parcels
-  Parks



## EXHIBIT B

### DOWNTOWN SACRAMENTO PROPERTY AND BUSINESS IMPROVEMENT DISTRICT FY2012/2013 DISTRICT BUDGET & PARCEL ASSESSMENT

Estimated Beginning Fund Balance	\$654,700
Total Assessed to Property Owners	<u>\$2,527,038</u>
	Total Resources <u>\$3,181,738</u>
PBID Activities	
Estimated Disbursement	\$3,178,210
Administrative Costs	
Public Improvement Financing	
Administration	\$2,128
Parcel reporting	\$166
Accounting	
Administration	\$966
County Billing	<u>\$268</u>
	Total Expenditures <u>\$3,181,738</u>
Estimated Ending Fund Balance	<u>\$0</u>
Year-Over-Year Change in Fund Balance	<u>(654,700)</u>

### PARCEL ASSESSMENT

The assessment rates are adjusted by 3.0% (percent) for Consumer Price Index (CPI) changes and other program costs as provided under the Property and Business Improvement District Law. The assessment rates for each zone are based on the levels of service and benefit received. Annual Assessments are based upon calculation of lot square footages plus building square footage within each benefit zone.

Condominium properties used exclusively as individually owned units will benefit from the public safety and maintenance components of the District, but will not directly benefit from economic development and marketing services. Qualifying properties may have their assessments adjusted by a pro rata share of the annual budget for economic development and marketing services for the qualifying portion of building square footage.

<b>Benefit Zone</b>	<b>Sub-District Name</b>	<b>Per sq.ft. of Lot</b>	<b>Per sq.ft. of Bldg.</b>	<b>Condo cost per foot*</b>	<b>Residential Discount</b>
A	K Street Corridor	\$0.1780	\$0.0890	\$0.1394	-21.7%
B	Civic Center	\$0.1489	\$0.0745	\$0.1102	-26.0%
C	Old Sacramento	\$0.1835	\$0.0918	\$0.1208	-34.2%
D	Capitol Mall/Plaza	\$0.0553	\$0.0277	\$0.0166	-69.9%