



City of Sacramento City Council

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

Meeting Date: 7/24/2012

Report Type: Public Hearing

Title: North Franklin Property and Business Improvement District No.2012-03 (Noticed on 5-30-12)

Report ID: 2012-00183

Location: District 5

Recommendation: Conduct a public hearing and, upon conclusion, direct the City Clerk to: 1) tabulate the assessment ballots submitted and not withdrawn before the hearing closed; and 2) report back as a Consent item on July 31, 2012, with the tabulation results.

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

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

Department: Finance

Division: Public Improvement Finance

Dept ID: 06001321

Attachments:

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

City Attorney Review

Approved as to Form
Jeffrey Heeren
7/10/2012 11:47:34 AM

City Treasurer Review

Reviewed for Impact on Cash and Debt
John Colville
7/3/2012 11:02:45 AM

Approvals/Acknowledgements

Department Director or Designee: Leyne Milstein - 7/9/2012 2:07:19 PM



Description/Analysis

Issue: A majority of property owners within the Franklin Boulevard commercial corridor proposed to renew the North Franklin Property and Business Improvement District No. 2012-03 (District) for a ten (10) year term. In response, on May 29, 2012, the City Council adopted a resolution 1) directing staff to mail assessment ballots and notices of public hearing to the owners of real property within the proposed District; and 2) setting July 24, 2012, as the date for a public hearing on the proposed District renewal and assessment.

At the conclusion of the hearing, the City Clerk will tabulate the assessment ballots submitted and not withdrawn to determine whether there is a majority protest against the assessment (i.e., whether a majority of the property owners who submit ballots are opposed to the District and assessment).

Staff will report the results of the tabulation at the City Council meeting on July 31, 2012. If there is no majority protest from ballots submitted and not withdrawn, staff will recommend that the City Council adopt a resolution declaring the results of the majority protest proceedings and establishing the District.

Policy Considerations: The goal of the District is to provide services which will promote a clean and safe environment for patrons who visit the Franklin Boulevard commercial corridor for shopping, dining and other services. These efforts along with marketing and promotional events will help increase the business development and revenue along the corridor. The City would continue its current participation as the owner of one parcel in the District (Joseph E. Rooney Police Station). The renewal process is as required by the California Streets and Highways Code Part 7 (beginning with Section 36600) of Division 18.

Economic Impacts: None

Environmental Considerations:

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

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

Commission/Committee Action: None.

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

Financial Considerations: Financing will be provided by the levy of assessments upon real property that benefit from improvements and activities of the District. The District does not issue bonds. The District assessment budget for FY2012/13 is approximately \$141,274. The City will retain \$3,990 to cover City administrative costs.

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): None. No goods or services are being purchased with this action.

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 private security service above and beyond those services currently provided by the Sacramento City Police and Sacramento County Sheriff's Department. Along with maintenance and security services, continued funding for advocacy, marketing, and promotional events will help 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 Public Improvement Financing 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.

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

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	41
Program Management, Corporate Operations	\$57,000	40
District Identity	\$15,000	11
City/County Fees	\$8,000	6
Contingency	\$2,274	2
Total	\$141,274	100

Public Hearing and Tabulation of Assessment Ballots

On May 29, 2012, City Council directed staff to complete the actions necessary to renew the District. On May 30, 2012, staff mailed out assessment ballots and notices of public hearing to the owners of property in the proposed District. Ballots must be submitted no later than the close of the public hearing to be counted. At the close of the public hearing, the assessment ballots will be tabulated to determine whether a majority protest exists. If a majority protest exists — that is, if the ballots submitted in opposition to the assessment exceed the ballots submitted in favor of it — then the proceedings to levy the assessment will terminate. Staff will report back with the tabulation results at the July 31, 2012, City Council meeting.



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

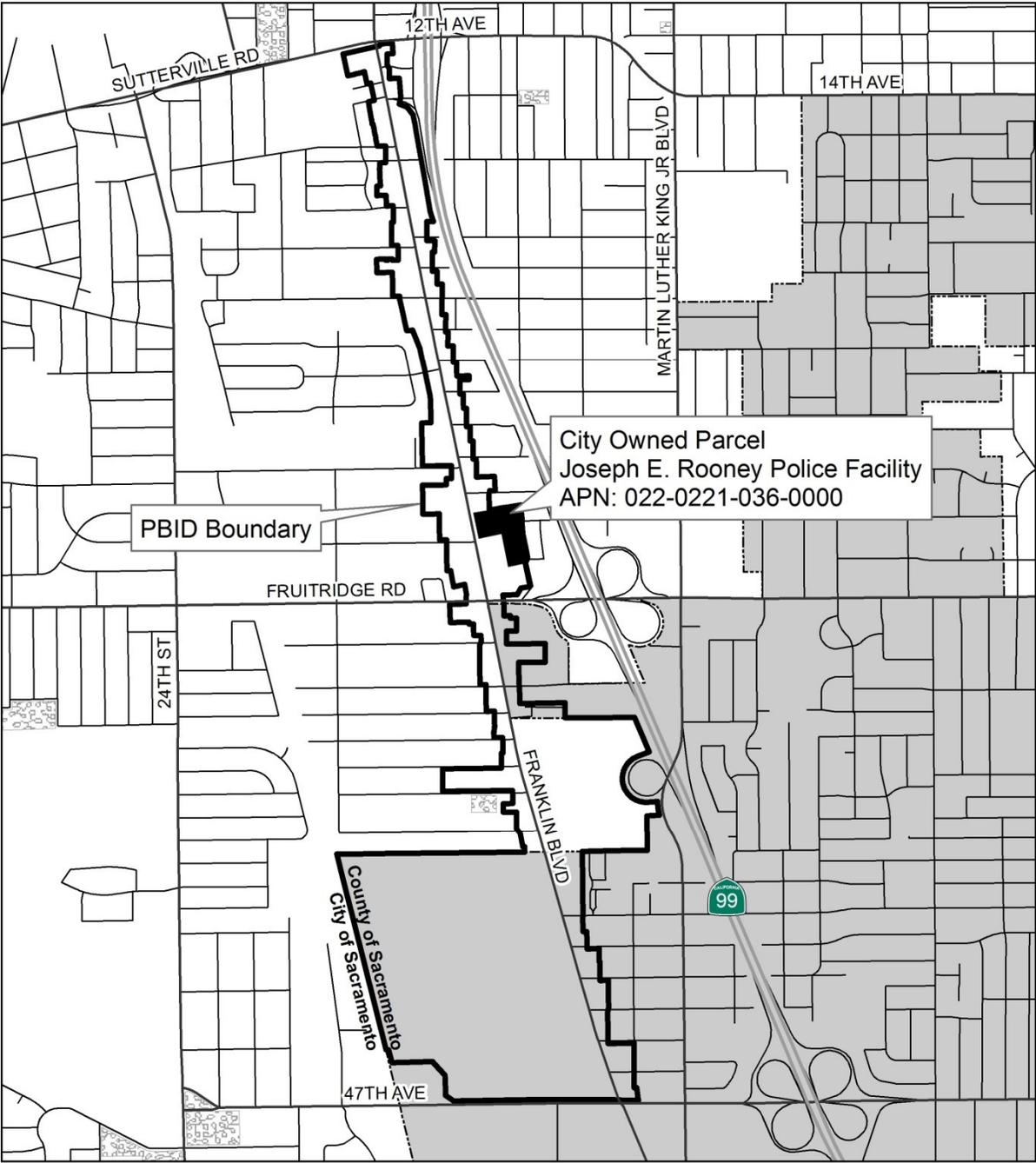
March 20, 2012	City Manager Signature Authority – City Council
April 23, 2012	Petition Drive – Kick-off
May 15, 2012	Receive Signed Petitions
May 29, 2012	Resolution of Intention to Renew – City Council
May 30, 2012	Record Boundary Map, Mail Ballots, Publish Notice of Hearing

July 24, 2012	Public Hearing – City Council
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July 31, 2012	Ballot Results – City Council
August 1, 2012	Record Notice of Assessment and Assessment Diagram
August 2012	Assessment Roll to County



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



G.I.S.
City of Sacramento
Department of Finance
BMueller 02/06/12

