

Meeting Date: 6/18/2013

Report Type: Consent

Report ID: 2013-00385



Title: FY2013/2014 Sutter Business Improvement Area Annual Budget Adoption

Location: District 4

Issue: City Code section 3.106.010 requires that each Business Improvement Area (BIA) submit an annual budget for review to ensure that the funds for each district are being used for authorized purposes.

Recommendation: Pass a Resolution approving the Sutter Business Improvement Area annual budget.

Contact: Brad Wasson, Revenue Manager, (916) 808-5844, Department of Finance

Presenter: None

Department: Finance

Division: Revenue Administration

Dept ID: 06001211

Attachments:

1-Description/Analysis

2-Resolution

3-Exhibit A

City Attorney Review

Approved as to Form
Gerald Hicks
6/11/2013 8:50:17 AM

City Treasurer Review

Reviewed for Impact on Cash and Debt
Russell Fehr
5/29/2013 2:00:17 PM

Approvals/Acknowledgements

Department Director or Designee: Leyne Milstein - 6/6/2013 9:11:37 AM

Description/Analysis

Policy Considerations: Sacramento City Code Section 3.106.010 requires the City Council to review/audit the administration of the BIAs. The purpose of an annual budget review is to ensure that the funds for each district are being used for purposes specified in the City.

Economic Impacts: None.

Environmental Considerations: Under the California Environmental Quality Act (CEQA) guidelines, continuing administrative activities do not constitute a project and are therefore exempt from review.

Sustainability: None.

Commission/Committee Action: None.

Rationale for Recommendation: The City Council selected a specific organization to administer this self-assessed business fee. The proposed budget appears to be reasonable for promoting business in the area. Therefore, staff is recommending the City Council approve the organization's budget for the use of BIA funds in FY 2013-14.

Financial Considerations: The proposed expenditures are supported by fees assessed against each business within the BIA. The rates are 1.5% of food sales plus a charge for occupancy. The fees are remitted by the restaurants on a monthly basis. The fees are then paid to the agency that the City Council has authorized to conduct promotion of the BIA.

The proposed BIA expenditures are fully fee supported, with collection services provided by the City. The City retains \$5,373 annually to cover administrative expenses for this purpose.

The annual budget, as submitted by the Midtown Business Association, is attached as an exhibit to the resolution.

Emerging Small Business Development (ESBD): Not applicable.

RESOLUTION NO.

Adopted by the Sacramento City Council

APPROVING THE FY 2013-14 SUTTER BUSINESS IMPROVEMENT AREA BUDGET

BACKGROUND

- A. The Sutter Business Improvement Area (BIA) is established under Chapter 3.106 of the City Code for the purposes described therein.
- B. City Code section 3.106.010 requires that each BIA submit an annual budget for review. The purpose of an annual budget review is to ensure that the funds for each district are being used for purposes specified in the City Code. For each BIA, City Code section 3.106.080 specifies that the City Council shall reserve unto itself sole discretion as to how the revenue derived from the charges shall be used within the scope of said authorized purposes.
- C. Staff has reviewed the FY 2013-14 budget showing estimated BIA fees of \$110,000, and finds the budget to be adequate and reasonable for authorized purposes.

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 background statements A through C are true and correct.
- Section 2. The City Council hereby approves the proposed FY 2013-14 Sutter BIA budget as detailed in Exhibit A of the resolution.
- Section 3. Exhibit A is part of this resolution.

Sutter Business Improvement Area Annual Budget

Fiscal Year 2013/14

	BIA	Other	Total
Revenues			
Beginning Reserves (estimated)	\$ 20,000.00	\$ -	\$ 20,000.00
Membership Fees	\$ -	\$ -	\$ -
Business Tax Collections	\$ 110,000.00	\$ -	\$ 110,000.00
Total Revenues	\$ 130,000.00	\$ -	\$ 130,000.00
Expenses			
Operating/Administrative Expenses			
Overhead	\$ 9,000.00	\$ -	\$ 9,000.00
Administrative Support	\$ 3,600.00	\$ -	\$ 3,600.00
	\$ 12,600.00	\$ -	\$ 12,600.00
Marketing / Public Relations / Event Promotion			
Augustine Ideas (monthly contract)	\$ 40,000.00	\$ -	\$ 40,000.00
Events	\$ 3,000.00	\$ -	\$ 3,000.00
Promotional Marketing	\$ 3,000.00	\$ -	\$ 3,000.00
	\$ 46,000.00	\$ -	\$ 46,000.00
Safety & Security			
Sacramento Police Dept (weekend support)	\$ 62,700.00	\$ -	\$ 62,700.00
	\$ 62,700.00	\$ -	\$ 62,700.00
Total Expenses	\$ 121,300.00	\$ -	\$ 121,300.00