

Meeting Date: 6/17/2014

Report Type: Public Hearing

Report ID: 2014-00098

Title: Fiscal Year (FY) 2014/15 Business Improvement Area (BIA) Annual Report (Noticed 06/06/2014)

Location: Districts 2, 3, 4, 5, and 6

Recommendation: Conduct a public hearing and, upon conclusion, pass 1) a Resolution confirming the Annual Report and levying an assessment for FY2014/15 for Del Paso BIA; 2) a Resolution confirming the Annual Report and levying an assessment for FY2014/15 Downtown Plaza BIA; 3) a Resolution confirming the Annual Report and levying an assessment for FY2014/15 Franklin Boulevard BIA; 4) a Resolution confirming the Annual Report and levying an assessment for FY2014/15 Old Sacramento BIA; and 5) a Resolution confirming the Annual Report and levying an assessment for FY2014/15 Stockton Boulevard BIA.

Contact: Sini Makasini, Administrative Analyst, (916) 808-7967; Jodie Vong, Administrative Analyst, (916) 808-8243; Mark Griffin, Program Manager, (916) 808-8788, Department of Finance

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

Department: Finance

Division: Public Improvement Finance

Dept ID: 06001321

Attachments:

- 1-Description/Analysis
- 2-Schedule of Proceedings
- 3-BIA Fees
- 4-Resolution, Del Paso Blvd BIA
- 5-Resolution, Downtown Plaza BIA
- 6-Resolution, Franklin Blvd BIA
- 7-Resolution, Old Sacramento BIA
- 8-Resolution, Stockton Blvd BIA

City Attorney Review

Approved as to Form
Michael W. Voss
6/3/2014 2:32:58 PM

Approvals/Acknowledgements

Department Director or Designee: Leyne Milstein - 5/28/2014 1:47:41 PM

Description/Analysis

Issue: On June 5, 2014, the City Council passed five Resolutions of Intention accepting the BIA Annual Reports, and set June 17, 2014, as the date for the public hearing to confirm the Annual Reports and to levy the proposed assessments.

At the public hearing, the City Council will consider all protests to the proposed assessments. Any interested person will be permitted to present written or oral testimony. Upon conclusion of the hearing, City Council approval is recommended for the Annual Reports and the assessments for Fiscal Year (FY) 2014/15 for each of the following BIAs: Del Paso Boulevard, Downtown Plaza, Franklin Boulevard, Old Sacramento, and Stockton Boulevard.

Policy Considerations: The recommended action ensures that the funds collected for each BIA via business-based assessments are used for the intended purpose: to promote the economic revitalization and physical maintenance of the business districts in an effort to create jobs, attract new businesses, and prevent the erosion of existing businesses.

Environmental Considerations: Under California Environmental Quality Act (CEQA) Guidelines, administration and annual proceedings do not constitute a project and are therefore exempt from review.

Rationale for Recommendation: The actions in the recommended resolutions are required by the California Streets and Highways Code Division 18, Part 6, Chapter 3 (commencing with Section 36530) and Chapter 4 (commencing with Section 36540) and Sacramento City Code Title 3. Title 3 requires in BIA annual proceedings that the City Council “confirm” the annual reports, rather than the more typical “approve”.

Financial Considerations: The proposed expenditures are supported by fees assessed against each business within the BIA. City Code allows for an annual increase of BIA fees based on the most current Consumer Price Index (CPI) data. The CPI – All Urban Consumers for the San Francisco area for February 2014 is 2.45%. Accordingly, BIA fees for Del Paso Boulevard, Downtown Plaza, Franklin Boulevard, Old Sacramento, and Stockton Boulevard will increase by 2.45% effective July 1, 2014, as shown in Attachment 1.

For businesses in the City, the City collects the BIA fees at the time the Business Operations Tax is paid. The Franklin and Stockton BIAs have businesses in the County, which are invoiced separately. All collected revenue is then paid to the contracted Advisory Boards authorized by City Council to conduct promotion of a BIA. The proposed BIA expenditures are fully fee supported. Collection costs are absorbed by the City.

Individual BIA fund budgets of the City, showing the expected assessment collections and disbursements, are attached as exhibits to the respective resolutions. Detailed budgets for services and programs, included in the Annual Reports submitted by each of the Advisory boards, are on file with the Public Improvement Financing Division.

Local Business Enterprise (LBE): Not applicable.

SCHEDULE OF PROCEEDINGS

BUSINESS IMPROVEMENT AREA FY2014/15 SCHEDULE

June 5, 2014 City Council - Approve Annual Report and Resolution of Intention to Levy an Assessment for FY2014/15

June 9, 2014 Publish Resolution of Intention

June 17, 2014 City Council - Public Hearing

**BUSINESS IMPROVEMENT AREA (BIA) FEES:
ANNUAL FEES AS OF JULY 1, 2014**

Attachment 1

Downtown Plaza BIA (B):		Minimum: \$109	Maximum: \$8,696		
		<u>Flat Amount</u>	<u>Increment</u>	<u>Basis</u>	
Gross Receipts	\$10,000 or less:	\$109	-		
	more than \$10,000:	\$109	+ .0008		of amount over \$10,000
Gross Payroll	Flat fee	\$109	-		
Professional		\$109	+ \$37		per employee
Brokers		\$109	+ \$37		per employee
Hotel/Motel		\$109	+ \$1		per unit in excess of 4
Commercial Rental Gross Receipts:					
	\$10,000 or less:	\$109	-		
	more than \$10,000:	\$109	+ .0008		of amount over \$10,000

FRANKLIN BLVD BIA (D):		Minimum: \$55	Maximum: \$565		
		<u>Flat Amount</u>	<u>Increment</u>	<u>Basis</u>	
Retail	Gross Receipts	-	.000535		of gross receipts
Non-Retail	Flat Fee	\$55	-		

DEL PASO BLVD BIA (E):		Minimum: \$24	Maximum: \$547		
		<u>Flat Amount</u>	<u>Increment</u>	<u>Basis</u>	
Retail	Gross Receipts				
	\$10,000 or less:	\$24	-		
	more than \$10,000:	\$24	+ .0005		of amount over \$10,000
Non-Retail	Flat Fee	\$24	-		

STOCKTON BLVD BIA (F):		Minimum: \$51	Maximum: \$525		
		<u>Flat Amount</u>	<u>Increment</u>	<u>Basis</u>	
Retail	Gross Receipts				
	\$50,000 or less:	\$51	-		
	more than \$50,000:	\$51	+ .0005		of amount over \$50,000
Non - Retail	Flat Fee	\$51	-		

OLD SACRAMENTO BIA (C):		Minimum: \$156	Maximum: \$7,256		
		<u>Flat Amount</u>	<u>Increment</u>	<u>Basis</u>	
* Retail - No Alcohol Sales		-	.0054		of gross receipts
* Retail - Alcohol Sales		-	.0068		of gross receipts
Non - Retail Flat Fee		\$79	-		
* Note: Gross Receipts are exclusive of any alcohol sales					

RESOLUTION NO.

Adopted by the Sacramento City Council

CONFIRMING THE ANNUAL REPORT FOR DEL PASO BOULEVARD BUSINESS IMPROVEMENT AREA AND LEVYING ASSESSMENT FOR FISCAL YEAR 2014/15

BACKGROUND

- A. The Del Paso Boulevard Business Improvement Area (BIA) is established under Chapter 3.108 of the City Code for the purposes described therein and is subject to the Parking and Business Improvement Area Law of 1989 (Streets and Highways Code).
- B. Streets and Highways Code Section 36533 requires that each BIA submit an annual report with specified contents for City Council approval. The City Council may approve the report as filed or may modify the report as authorized by the Streets and Highways Code.
- C. Expenditures of BIA funds such as general promotion of business activities, promotion of public events, decoration of public places, and furnishing of music in public places are intended to promote economic revitalization and physical maintenance of the business district in order to create jobs, attract new businesses, and prevent erosion of the business district. All services are as defined within the Annual Report and by reference made a part of this resolution. The Annual Report is separately bound and on file with the Public Improvement Financing Unit, which the City Clerk has designated as the custodian of such records.

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.
- Section 2 The City Council confirms the Annual Report and approves the fiscal year (FY) 2014/15 Del Paso Boulevard BIA fund budget of the City as detailed in Exhibit A of the resolution.
- Section 3 The City Council levies upon businesses within the Del Paso Boulevard BIA the assessment set forth in the FY2014/15 Report.
- Section 4 The City Manager is authorized to make any necessary budgetary adjustments associated with the approved BIA budget for FY2014/15.
- Section 5 Exhibit A is part of this resolution.

Table of Contents:

Exhibit A: FY2014/15 Del Paso BIA Fund Budget

Exhibit A
Del Paso Blvd. Business Improvement Area (Fund 2214)
BIA Fund Budget of the City FY2014/15

Revenues

Beginning Fund Balance	\$0
Business Tax Collections	<u>\$35,000</u>
Total Revenues	<u>\$35,000</u>

Expenses

Distributions to BIA	<u>\$35,000</u>
Total Expenses	<u>\$35,000</u>

Estimated Ending Fund Balance	<u>\$0</u>
--------------------------------------	-------------------

RESOLUTION NO.

Adopted by the Sacramento City Council

CONFIRMING THE ANNUAL REPORT FOR DOWNTOWN PLAZA BUSINESS IMPROVEMENT AREA AND LEVYING ASSESSMENT FOR FISCAL YEAR 2014/15

BACKGROUND

- A. The Downtown Plaza Business Improvement Area (BIA) is established under Chapter 3.104 of the City Code for the purposes described therein and is subject to the Parking and Business Improvement Area Law of 1989 (Streets and Highways Code).
- B. Streets and Highways Code Section 36533 requires that each BIA submit an annual report with specified contents for City Council approval. The City Council may approve the report as filed or may modify the report as authorized by the Streets and Highways Code.
- C. Expenditures of BIA funds such as general promotion of business activities, promotion of public events, decoration of public places, and furnishing of music in public places are intended to promote economic revitalization and physical maintenance of the business district in order to create jobs, attract new businesses, and prevent erosion of the business district. All services are as defined within the Annual Report and by reference made a part of this resolution. The Annual Report is separately bound and on file with the Public Improvement Financing Unit, which the City Clerk has designated as the custodian of such records.

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.
- Section 2 The City Council confirms the Annual Report and approves the fiscal year (FY) 2014/15 Downtown Plaza BIA fund budget of the City as detailed in Exhibit A of the resolution.
- Section 3 The City Council levies upon businesses within the Downtown Plaza BIA the assessment set forth in the FY2014/15 Report.
- Section 4 The City Manager is authorized to make any necessary budgetary adjustments associated with the approved BIA budget for FY2014/15.
- Section 5 Exhibit A is part of this resolution.

Table of Contents:

Exhibit A: FY2014/15 Downtown Plaza BIA Fund Budget

Exhibit A
Downtown Plaza Business Improvement Area (Fund 2209)
BIA Fund Budget of the City FY2014/15

Revenues

Beginning Fund Balance	\$0
Business Tax Collections	<u>\$55,000</u>
Total Revenues	<u><u>\$55,000</u></u>

Expenses

Distributions to BIA	\$55,000
Total Expenses	<u><u>\$55,000</u></u>

Estimated Ending Fund Balance \$0

RESOLUTION NO.

Adopted by the Sacramento City Council

CONFIRMING THE ANNUAL REPORT FRANKLIN BOULEVARD BUSINESS IMPROVEMENT AREA AND LEVYING ASSESSMENT FOR FISCAL YEAR 2014/15

BACKGROUND

- A. The Franklin Boulevard Business Improvement Area (BIA) is established under Chapter 3.100 of the City Code for the purposes described therein and is subject to the Parking and Business Improvement Area Law of 1989 (Streets and Highways Code).
- B. Streets and Highways Code Section 36533 requires that each BIA submit an annual report with specified contents for City Council approval. The City Council may approve the report as filed or may modify the report as authorized by the Streets and Highways Code.
- C. Expenditures of BIA funds such as general promotion of business activities, promotion of public events, decoration of public places, and furnishing of music in public places are intended to promote economic revitalization and physical maintenance of the business district in order to create jobs, attract new businesses, and prevent erosion of the business district. All services are as defined within the Annual Report and by reference made a part of this resolution, The Annual Report is separately bound and on file with the Public Improvement Financing Unit, which the City Clerk has designated as the custodian of such records.
- D. The BIA Advisory Board through its Annual Report has proposed that the City delegate authority to the County of Sacramento to collect the charges imposed upon businesses located in the unincorporated area of the County of Sacramento.

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 D are true.
- Section 2 The City Council confirms the Annual Report and approves the fiscal year (FY) 2014/15 Franklin Boulevard BIA fund budget of the City as detailed in Exhibit A of the resolution.
- Section 3 The City Council levies upon businesses within the Franklin Boulevard BIA the assessment set forth in the FY2014/15 Report.

Section 4 The City Manager is authorized to make any necessary budgetary adjustments associated with the approved BIA budget for FY2014/15.

Section 5 Exhibit A is part of this resolution.

Table of Contents:

Exhibit A: FY2014/15 Franklin Boulevard BIA Fund Budget

Exhibit A
Franklin Blvd Business Improvement Area (Fund 2212)
BIA Fund Budget of the City FY2014/15

Revenues

Beginning Fund Balance	\$0
Business Tax Collections	<u>\$57,124</u>
Total Revenues	<u><u>\$57,124</u></u>

Expenses

Distributions to BIA	<u>\$57,124</u>
Total Expenses	<u><u>\$57,124</u></u>

Estimated Ending Fund Balance	<u><u>\$0</u></u>
--------------------------------------	-------------------

RESOLUTION NO.

Adopted by the Sacramento City Council

CONFIRMING THE ANNUAL REPORT FOR OLD SACRAMENTO BUSINESS IMPROVEMENT AREA AND LEVYING ASSESSMENT FOR FISCAL YEAR 2014/15

BACKGROUND

- A. The Old Sacramento Business Improvement Area (BIA) is established under Chapter 3.96 of the City Code for the purposes described therein and is subject to the Parking and Business Improvement Area Law of 1989 (Streets and Highways Code).
- B. Streets and Highways Code Section 36533 requires that each BIA submit an annual report with specified contents for City Council approval. The City Council may approve the report as filed or may modify the report as authorized by the Streets and Highways Code.
- C. Expenditures of BIA funds such as general promotion of business activities, promotion of public events, decoration of public places, and furnishing of music in public places are intended to promote economic revitalization and physical maintenance of the business district in order to create jobs, attract new businesses, and prevent erosion of the business district. All services are as defined within the Annual Report and by reference made a part of this resolution. The Annual Report is separately bound and on file with the Public Improvement Financing Unit, which the City Clerk has designated as the custodian of such records.

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.
- Section 2 The City Council confirms the Annual Report and approves the fiscal year (FY) 2014/15 Old Sacramento BIA fund budget of the City as detailed in Exhibit A of the resolution.
- Section 3 The City Council levies upon businesses within the Old Sacramento BIA the assessment set forth in the FY2014/15 Report.
- Section 4 The City Manager is authorized to make any necessary budgetary adjustments associated with the approved BIA budget for FY2014/15.
- Section 5 Exhibit A is part of this resolution.

Table of Contents:

Exhibit A: FY2014/15 Old Sacramento BIA Fund Budget

Exhibit A
Old Sacramento Business Improvement Area (Fund 2211)
BIA Fund Budget of the City FY2014/15

Revenues

Beginning Fund Balance	\$0
Business Tax Collections	<u>\$175,000</u>
Total Revenues	<u><u>\$175,000</u></u>

Expenses

Distributions to BIA	<u>\$175,000</u>
Total Expenses	<u><u>\$175,000</u></u>

Estimated Ending Fund Balance	<u><u>\$0</u></u>
--------------------------------------	-------------------

RESOLUTION NO.

Adopted by the Sacramento City Council

CONFIRMING THE ANNUAL REPORT FOR STOCKTON BOULEVARD BUSINESS IMPROVEMENT AREA AND LEVYING ASSESSMENT FOR FISCAL YEAR 2014/15

BACKGROUND

- A. The Stockton Boulevard Business Improvement Area (BIA) is established under Chapter 3.112 of the City Code for the purposes described therein and is subject to the Parking and Business Improvement Area Law of 1989 (Streets and Highways Code).
- B. Streets and Highways Code Section 36533 requires that each BIA submit an annual report with specified contents for City Council approval. The City Council may approve the report as filed or may modify the report as authorized by the Streets and Highways Code.
- C. Expenditures of BIA funds such as general promotion of business activities, promotion of public events, decoration of public places, and furnishing of music in public places are intended to promote economic revitalization and physical maintenance of the business district in order to create jobs, attract new businesses, and prevent erosion of the business district. All services are as defined within the Annual Report and by reference made a part of this resolution. The Annual Report is separately bound and on file with the Public Improvement Financing Unit, which the City Clerk has designated as the custodian of such records.
- D. The BIA Advisory Board through its Annual Report has proposed that the City delegate authority to the County of Sacramento to collect the charges imposed upon businesses located in the unincorporated area of the County of Sacramento.

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 D are true.
- Section 2 The City Council confirms the Annual Report and approves the fiscal year (FY) 2014/15 Stockton Boulevard BIA fund budget of the City as detailed in Exhibit A of the resolution.
- Section 3 The City Council levies upon businesses within the Stockton Boulevard BIA the assessment set forth in the FY2014/15 Report.

Section 4 The City Manager is authorized to make any necessary budgetary adjustments associated with the approved BIA budget for FY2014/15.

Section 5 Exhibit A is part of this resolution.

Table of Contents:

Exhibit A: FY2014/15 Stockton Boulevard BIA Fund Budget

Exhibit A
Stockton Blvd. Business Improvement Area (Fund 2215)
BIA Fund Budget of the City FY2014/15

Revenues

Beginning Fund Balance	\$0
Business Tax Collections	<u>\$46,520</u>
Total Revenues	<u><u>\$46,520</u></u>

Expenses

Distributions to BIA	\$46,520
Total Expenses	<u><u>\$46,520</u></u>

Estimated Ending Fund Balance	<u><u>\$0</u></u>
--------------------------------------	-------------------