

**Meeting Date:** 7/15/2014

**Report Type:** Public Hearing

**Report ID:** 2014-00100

**Title:** River District Property and Business Improvement District No. 2014-01 (Noticed 05/22/2014)

**Location:** Districts 3 and 4

**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a public hearing and, upon conclusion, direct the City Clerk to 1) tabulate the assessment ballots submitted and not withdrawn before the hearing is closed; and 2) report back as a Consent item on July 22, 2014, with the tabulation results.

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

**Presenter:** Jodie Vong, Administrative Analyst, (916) 808-8243, Department of Finance

**Department:** Finance

**Division:** Public Improvement Finance

**Dept ID:** 06001321

**Attachments:**

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

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**City Attorney Review**

Approved as to Form  
Michael W. Voss  
7/9/2014 8:42:45 AM

**Approvals/Acknowledgements**

Department Director or Designee: Leyne Milstein - 7/7/2014 10:52:08 AM

## Description/Analysis

**Issue:** A majority of property owners along the River District commercial corridor proposed to renew the River District Property and Business Improvement District No. 2014-01 (District) for a ten-year term. In response, on May 20, 2014, the City Council passed Resolution 2014-0125: 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 15, 2014, as the date for a public hearing on the proposed District 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At the conclusion of the hearing, the City Clerk will tabulate the assessment ballots submitted and not withdrawn to determine whether there is a majority protest against the assessment (i.e., whether a majority of the property owners who submit ballots are opposed to the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 22, 2014. If there is no majority protest from ballots submitted and not withdrawn, staff will recommend that the City Council adopt a resolution declaring the results of the majority protest proceedings and establishing the District.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 to promote safety, maintenance, and economic development of the District commercial corridor in an effort to increase business development and revenue.

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

**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 will not issue bonds.

The District's overall assessment rates will increase by approximately 17 percent over the current year. The total assessment budget for FY2014/15 is approximately \$450,166. The City of Sacramento will be participating as a property owner in the District. The City currently owns 53 parcels and will have a total first-year annual assessment of approximately \$62,900. The Redevelopment Agency Successor Agency owns four additional parcels, and the City will be assessed approximately \$2,250 for those parcels. Funds for the City's assessments are included in the FY2014/15 Approved Budget.

Future assessment rates may be subject to an increase of no more than 5% annually. If the District is renewed, the annual budget will be adjusted to reflect the Council approved assessments and expenditure plans.

**Local Business Enterprise (LBE):** Not applicable.

## BACKGROUND

The River District PBID No. 2007-02 (the existing District) was approved by City Council on July 27, 2004, in accordance with the PBID Area Law of 1994, and became effective on January 1, 2005. A majority of the property owners within the proposed River District PBID No. 2014-01 (District) would like to renew the District for a ten-year term to continue funding for the following services in the River District commercial corridor:

- Safety and maintenance
- Economic development
- Planning, advocacy, and physical enhancements

The District's Board of Directors has prepared the Management Plan (Plan) and Engineer's Report, which is on file with Public Improvement Financing Division 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 that describes the process of forming the District and providing the services identified by the property and business owners.

### Assessment Budget

If the District is renewed, the total assessment for the first year of its ten-year operation will be approximately \$450,166. The annual assessments are based upon allocation of program costs and a calculation per acre. Assessment rates may be subject to an increase of no more than 5% per year at the discretion of the District Board of Directors.

### River District PBID FY2014/15 Budget

<b>Program</b>	<b>Budget</b>	<b>Assessment</b>	<b>Outside Funds</b>	<b>% of Total</b>
Safety and Maintenance	\$238,815.90	\$233,914.25	\$4,901.65	52
Economic Development	\$114,815.34	\$111,702.44	\$3,112.90	25
Planning, Advocacy, and Physical Enhancements	\$50,518.75	\$50,518.75	\$0	11
Administration	\$55,111.36	\$54,031.04	\$1,080.31	12
<b>Total</b>	<b>\$459,261.35</b>	<b>\$450,166.48</b>	<b>\$9,094.86</b>	<b>100.0%</b>

## Public Hearing and Tabulation of Assessment Ballots

On May 20, 2014, City Council directed staff to complete the actions necessary to renew the District. On May 22, 2014, staff mailed out assessment ballots and notices of the 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 22, 2014 City Council meeting.

**SCHEDULE OF PROCEEDINGS  
RIVER DISTRICT  
PROPERTY AND BUSINESS IMPROVEMENT DISTRICT NO. 2014-01**

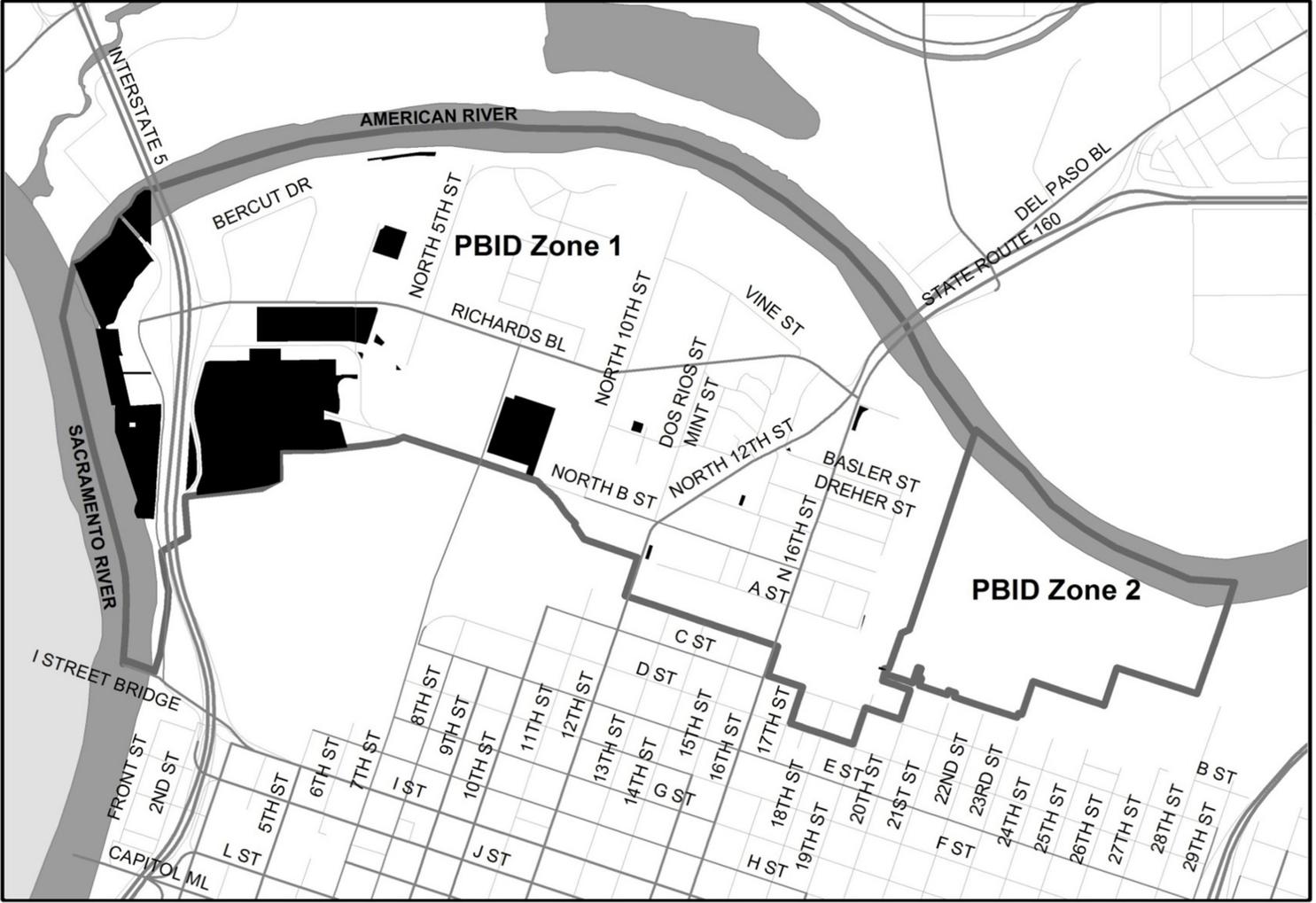
March 12, 2014	Petition Drive Kick-off
March 18, 2014	City Manager Signature Authority – City Council
March 25, 2014	Housing Authority – City Council
April 25, 2014	Receive Signed Petitions
May 20, 2014	Resolution of Intention to Renew – City Council
May 22-30, 2014	Record Boundary Map Mail, Publish Notice of Hearing, Management Plan, and Ballot

<b>July 15, 2014</b>	<b>Public Hearing and Tabulation of Ballots – City Council</b>
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July 22, 2014	Ballot Results – City Council
August 1, 2014	Record Notice of Assessment and Assessment Diagram
August 2014	Assessment Roll to County

EXHIBIT A

River District  
Property And Business Improvement District No. 2014-01



City of SACRAMENTO  
Finance Department  
B Mueller 01/28/14

River District PBID  
City Owned Parcels

