

**Meeting Date:** 1/13/2015

**Report Type:** Consent

**Report ID:** 2015-00017

**Title:** City Signatory Authority for City Properties: Proposed Downtown Sacramento Property and Business Improvement District No. 2014-06

**Location:** District 4

**Recommendation:** Pass a Resolution designating the City Manager as the signatory authority for all City-owned properties to be included in the proposed Downtown Sacramento Property and Business Improvement District No. 2014-06.

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

**Presenter:** None

**Department:** Finance

**Division:** Public Improvement Finance

**Dept ID:** 06001321

**Attachments:**

- 1-Description/Analysis
- 2-Background
- 3-Resolution

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**City Attorney Review**

Approved as to Form  
Michael W. Voss  
1/6/2015 11:01:30 AM

**Approvals/Acknowledgements**

Department Director or Designee: Dennis Kauffman - 12/30/2014 1:39:44 PM

## Description/Analysis

**Issue:** The property and business owners within the Downtown corridor have proposed to renew the Downtown Sacramento Property and Business Improvement District (PBID) for a ten-year term. Continued participation in the PBID will serve the public interest by providing a higher level of safety, maintenance, and economic development services that are above and beyond what the City currently provides. Safety and maintenance activities include daily street guides, trash abatement, and graffiti removal. Business development services provide marketing, outreach, and other activities to convey a positive image and to attract new business to the Downtown corridor in an effort to increase economic development and revenue.

The City currently owns 44 parcels within the PBID. All would continue to participate in, and benefit from, the activities of the PBID. If City Council wishes to support the renewal, the Council may delegate to the City Manager the authority to sign the property owner's petition and assessment ballot on behalf of the City properties that will participate in the PBID. The Redevelopment Agency Successor Agency (RASA) owns 34 parcels within the PBID, but is precluded from voting for the assessment renewal by state law.

**Policy Considerations:** The recommended action authorizes the City Manager to sign the property owner's petitions and assessment ballots on behalf of all City properties that will participate in the PBID. The proceedings under which the PBID is proposed to be renewed are set forth in Sections 36600 of the California Streets and Highways Code, entitled "Property and Business Improvement District Law of 1994."

**Environmental Considerations:** Under the California Environmental Quality Act (CEQA) guidelines, authorizing City Manager approval for proposed business and property improvement districts does not constitute a project, and is therefore exempt from review.

**Rationale for Recommendation:** The existing PBID expires at the end of 2015. The actions in the recommended Resolution will allow the City to continue to support the programs and activities of the PBID.

**Financial Considerations:** There are 460 parcels in the PBID service area. The total PBID assessment budget for the first year is approximately \$2,716,642. If the proposed PBID is renewed, the City and RASA will continue to participate as property owners. City-owned properties will have a total first year annual assessment of \$568,121, a decrease of \$24,871 from the current year, due to the sale of City-owned parcels within the Downtown Plaza. The assessment on RASA parcels will be \$42,484 in the first year, which is a decrease of \$18,178 over the current assessments due to sold parcels on the 700 block of K Street. Together, the assessment on the RASA and City-owned parcels will decrease by \$43,049 over the current year. As future sales of RASA properties occur, assessments will decrease accordingly.

Future assessment rates may be subject to an increase of no more than five percent (5%) annually. Funds are currently budgeted for continued participation in the PBID.

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

## BACKGROUND

The PBID was originally approved in 1995 as the first in the state under PBID Area Law of 1994. The PBID has since been renewed twice with the last renewal approved by City Council on June 14, 2005 for a ten-year term. The PBID property owners will be petitioning to renew the PBID for another ten-year term. If renewed, the PBID will continue to provide funding and the following services in the Downtown corridor:

- **Maintenance, Safety, and Nuisance Abatement:** regular litter removal services, patrols, liaison with Sacramento Police Department, on-demand graffiti removal, advocacy and planning efforts to help decrease homelessness, nuisance behavior control and crime prevention.
- **Business Development:** marketing and branding efforts to increase awareness of downtown businesses, retail and business recruitment activities to improve the marketability and overall profile of the PBID.
- **Administration and Contingency:** administration provides support to sustain the various services (maintenance, safety, nuisance abatement and business development). The contingency portion is included as a buffer to account for possible delinquent assessments.

The attached resolution provide the City Manager the authority to sign the property owner's petitions and assessment ballots on behalf of all City properties that will participate in the PBID.

Staff will report back with the schedule of renewal proceedings in February 2015.

# RESOLUTION NO.

Adopted by the Sacramento City Council

**DESIGNATING THE CITY MANAGER AS THE SIGNATURE  
AUTHORITY FOR ALL CITY-OWNED PROPERTIES TO BE INCLUDED  
IN THE DOWNTOWN SACRAMENTO PROPERTY AND BUSINESS  
IMPROVEMENT DISTRICT  
NO. 2014-06**

**BACKGROUND:**

- A. The property and business owners within the Downtown Corridor propose to renew the Downtown Sacramento Property and Business Improvement District (Downtown PBID) for a ten-year term under the PBID Law of 1994, as authorized by the California Streets and Highways Code, Part 7 (beginning with Section 36600) of Division 18.
  
- B. The City owns the following 44 properties within the proposed Downtown PBID:

002-0010-027-0000	006-0087-059-0000	006-0136-025-0000
002-0010-044-0000	006-0091-027-0001	006-0115-018-0000
006-0011-010-0000	006-0091-028-0001	006-0115-020-0000
006-0024-050-0000	006-0091-029-0000	006-0043-003-0000
006-0036-037-0000	006-0091-034-0001	
006-0041-013-0000	006-0091-035-0001	
006-0042-001-0000	006-0096-020-0000	
006-0044-001-0000	006-0096-021-0000	
006-0044-002-0000	006-0104-008-0000	
006-0044-003-0000	006-0104-009-0000	
006-0044-004-0000	006-0115-016-0001	
006-0044-005-0000	006-0115-017-0000	
006-0062-001-0000	006-0115-019-0000	
006-0071-021-0000	006-0133-021-0000	
006-0071-039-0000	006-0135-028-0000	
006-0075-003-0000	006-0135-029-0000	
006-0087-033-0000	006-0136-019-0000	
006-0087-040-0000	006-0136-020-0000	
006-0087-051-0000	006-0136-023-0000	
006-0087-055-0000	006-0136-024-0000	

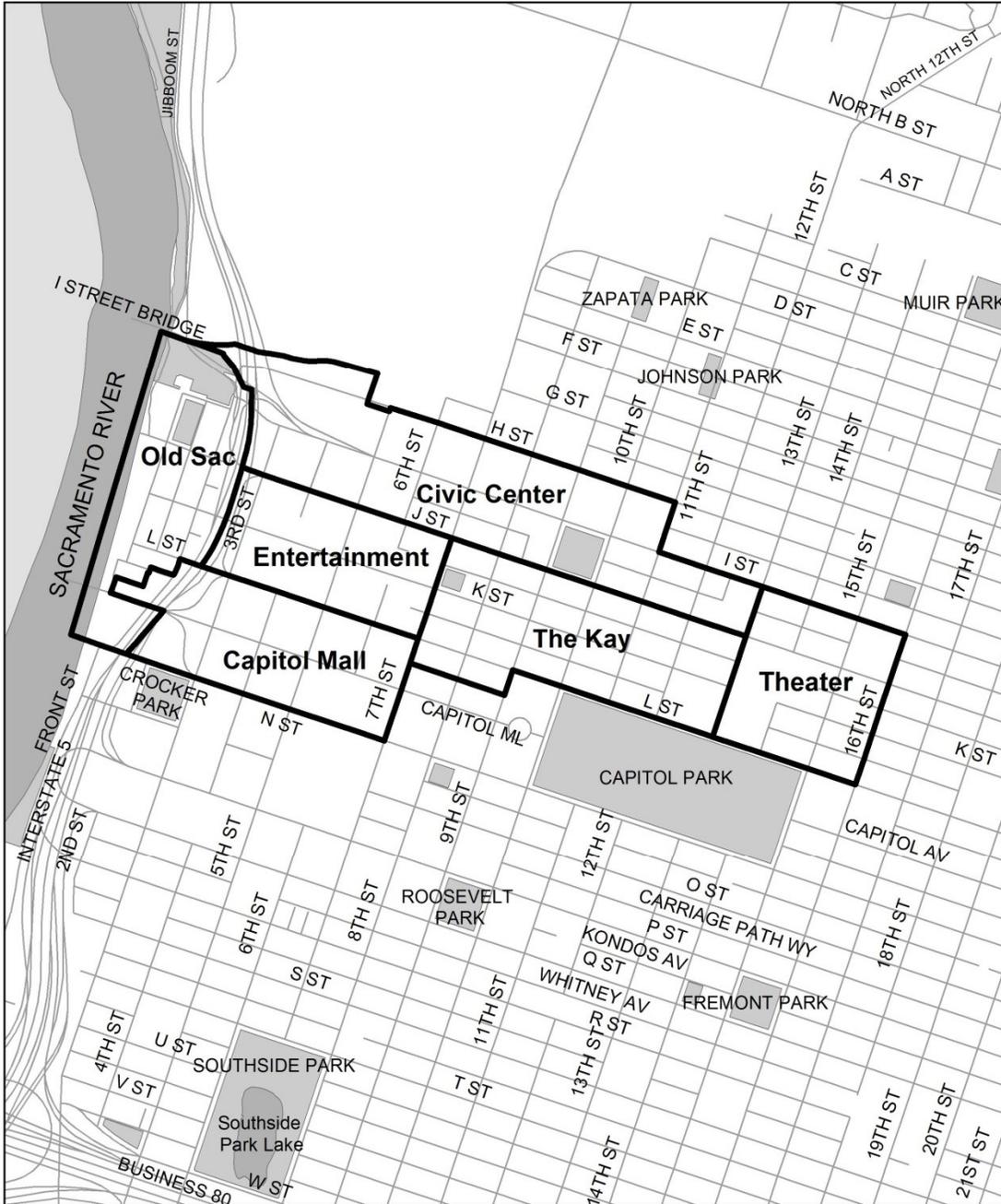
- C. City-owned properties will have a total first-year annual assessment of approximately \$568,121. Future assessment rates may be subject to an increase of no more than 5% annually. Funds are currently budgeted for continued participation in the PBID.
- D. The City Council has determined that the public interest will be served by having City properties participate in the Downtown PBID.

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

- Section 1     The City Manager is designated as the signature authority for all City-owned properties to be included in the proposed Downtown Sacramento Property and Business Improvement District No. 2014-06.
- Section 2     Exhibit A is part of this resolution.

# EXHIBIT A

## Downtown Sacramento Property and Business Improvement District (PBID) 2014-06



City of  
**SACRAMENTO**  
Finance Department  
B Mueller 11/10/14

 Downtown Sacramento PBID

 Parks

0 0.125 0.25 0.5 Miles

