

Meeting Date: 1/12/2016

Report Type: Consent

Report ID: 2016-00022

Title: City Signatory Authority for City Properties: Proposed Expansion and Renewal of Midtown Sacramento Property and Business Improvement District (Midtown PBID) No. 2016-02

Location: District 4

Recommendation: Pass a Resolution designating the City Manager or designee as the signatory authority for all City-owned properties to be included in the proposed Midtown Property and Business Improvement District (PBID).

Contact: Sini Makasini, Administrative Analyst, (916) 808-7967; Mark Griffin, Special Districts 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

City Attorney Review

Approved as to Form
Michael W. Voss
1/4/2016 11:32:33 AM

Approvals/Acknowledgements

Department Director or Designee: Brad Wasson - 12/23/2015 10:56:34 AM

Description/Analysis

Issue Detail: The property and business owners within Midtown Sacramento and along the Alhambra Corridor have proposed to expand and renew the Midtown Sacramento Property and Business Improvement District (PBID) for a 10-year term. Continued participation in the PBID will serve the public interest by providing a level of safety, maintenance, and economic development services above what the City currently provides. Safety and maintenance activities include daily patrol of street ambassadors, street beautification projects, trash abatement, and graffiti removal. Place-making services provide marketing, outreach, and other activities to convey a positive image and attract new business to Midtown in an effort to increase economic development and revenue.

The existing PBID expires at the end of 2017. The PBID is reforming a year early in order to expand the boundary to include the Alhambra Corridor and additional properties in the Midtown area that will benefit from the services provided. Marshall Park is the only City-owned parcel within the current PBID. The expanded boundary in the renewal will add eight City parcels including the new dog park at 19th and Q Streets, Fremont Park, Winn Park, and the fire station in the Alhambra Corridor. PBID services for the park properties specifically include graffiti abatement, litter management, and waste and trash removal around the exterior of the parks as well as homeless navigation services in and around the park.

If Council supports 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.

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: PBID services include economic development services above what the City currently provides. This includes focused marketing, outreach and other activities to convey a positive image, expand existing businesses and attract new businesses to Midtown resulting in increased economic activity and revenue.

The PBID de facto serves as a key partner to the City's economic development efforts — particularly in the area of enhancing a clean and safe environment, addressing homeless issues, and providing increased marketing for new business development. In addition, the PBID has the potential to serve as a critical partner in identifying both business needs and opportunities, as they will in many instances become the first entity to be contacted by local businesses.

To the extent that expanded boundaries include additional business resources, the City's opportunity for greater economic development activity and effectiveness is increased. The actions in the recommended Resolution will allow the City to support the renewal of the PBID and to access the services provided by the PBID.

Financial Considerations: There are 845 parcels in the proposed PBID service area. The total PBID assessment budget for the first year is approximately \$1,526,208. If the PBID is renewed and expanded, the City will continue to participate as property owners.

The City's current year assessment is \$13,653. If the PBID is renewed and expanded, the City's assessment will increase by \$33,067 to approximately \$46,720 which is three percent of the overall PBID assessment.

Future assessment rates may be subject to further increases of no more than three percent (3%) annually based on the proposed Management District Plan that will govern the PBID upon successful renewal and expansion.

Local Business Enterprise (LBE): Not applicable.

BACKGROUND

The Midtown Sacramento PBID was approved by City Council on August 9, 2007, in accordance with the PBID Area Law of 1994, became effective on January 1, 2008, and was renewed on July 31, 2012 for a five-year term expiring at the end of 2017. The PBID is reforming a year early in order to expand the boundary to include the Alhambra Corridor and additional properties in the Midtown area. The PBID property owners will be petitioning to renew the PBID for a ten-year term.

If renewed with the proposed expansion, the PBID will continue to provide funding and the following services in the Midtown area and Alhambra Corridor:

- **Maintenance and Safety:** regular litter removal services, patrols, liaison with Sacramento Police Department, graffiti and sticker removal, advocacy and planning efforts to help decrease homelessness, nuisance behavior control, and crime prevention.
- **Place Making:** marketing and branding efforts and capital improvements to promote economic activity, attract investment, and increase commerce within the PBID.
- **Advocacy:** advocate on behalf of Midtown stakeholders, communication and public relations to preserve and grow Midtown's role as a destination in the region.
- **Administration and Contingency:** provides the administrative support to sustain the various services. The contingency portion is included as a buffer to account for possible delinquent assessments.

The attached resolution provides 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.

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 MIDTOWN SACRAMENTO PROPERTY AND BUSINESS
IMPROVEMENT DISTRICT
NO. 2016-02**

BACKGROUND:

A. The property and business owners within Midtown and the Alhambra Corridor propose to expand and renew the Midtown Sacramento Property and Business Improvement District (Midtown 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 nine properties within the proposed Midtown PBID:

007-0042-001-0000
007-0341-001-0000
007-0312-006-0000
007-0312-007-0000
007-0312-008-0000
007-0312-009-0000
007-0312-029-0000
007-0123-037-0000
006-0291-001-0000

C. City-owned properties will have a total first-year annual assessment of approximately \$46,721. Future assessment rates may be subject to an increase of no more than 3% annually.

D. The City Council has determined that the public interest will be served by having City properties participate in the Midtown 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 Midtown Sacramento Property and Business Improvement District No. 2016-02.

Section 2 Exhibit A is part of this resolution.

EXHIBIT A

Midtown Sacramento Property and
Business Improvement District No. 2016-02

