

Meeting Date: 6/14/2016

Report Type: Public Hearing

Report ID: 2016-00241

Title: Public Hearing: Fiscal Year (FY) 2016/17 Business Improvement Area Annual Report (Noticed 06/03/2016)

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

Recommendation: Conduct a public hearing and, upon conclusion, pass: 1) a Resolution confirming the Annual Report and levying an assessment for FY2016/17 for Del Paso BIA; 2) a Resolution confirming the Annual Report and levying an assessment for FY2016/17 Downtown Plaza BIA; 3) a Resolution confirming the Annual Report and levying an assessment for FY2016/17 Franklin Boulevard BIA; 4) a Resolution confirming the Annual Report and levying an assessment for FY2016/17 Old Sacramento BIA; and 5) a Resolution confirming the Annual Report and levying an assessment for FY2016/17 Stockton Boulevard BIA.

Contact: Sini Makasini, Administrative Analyst, (916) 808-7967; Mark Griffin, Special Districts 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-Attachment 1, BIA Fee Schedule
- 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
6/2/2016 9:56:57 AM

Approvals/Acknowledgements

Department Director or Designee: Brad Wasson - 5/26/2016 2:53:18 PM

Description/Analysis

Issue Detail: On May 31, 2016, the Council adopted five Resolutions of Intention accepting the BIA Annual Reports, and set June 14, 2016, as the date for the public hearing to confirm the Annual Reports and to levy the proposed assessments.

At the public hearing, the 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, Council approval is recommended for the Annual Reports and the assessments for FY2016/17 for Del Paso Boulevard, Downtown Plaza, Franklin Boulevard, Old Sacramento, and Stockton Boulevard BIAs.

Policy Considerations: The recommended action establishes the budget for assessment expenditures ensuring that 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 erosion of existing businesses.

Environmental Considerations: Under the 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 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 fees based on the most recently available Consumer Price Index (CPI) data at the time of the Resolution of Intention on May 25. The CPI – All Urban Consumers for the San Francisco area for February 2016 is 3.02%. Accordingly, fees for Del Paso Boulevard, Downtown Plaza, Franklin Boulevard, Old Sacramento, and Stockton Boulevard BIAs will increase by 3.02% effective July 1, 2016, as shown in Attachment 1.

The City collects the BIA fees at the time the Business Operations Tax is paid. The fees are then forwarded to the contracted Advisory Boards authorized by Council to conduct promotion of the BIA. The proposed BIA expenditures are fully fee supported. Collection costs are absorbed by the City.

Individual BIA budgets detailing the expected assessment collections and disbursements are attached as exhibits to the respective resolutions. The expenditures are summarized as follows:

BIA	Expenditures
Del Paso Boulevard	33,000
Downtown Plaza	42,653
Franklin Boulevard	38,495
Old Sacramento	156,505
Stockton Boulevard	42,007
Total	\$312,660

Detailed budgets for services and programs, included in the Reports submitted by each of the Advisory Boards, are on file with the Public Improvement Finance Division.

Local Business Enterprise (LBE): Not applicable.

SCHEDULE OF PROCEEDINGS

**BUSINESS IMPROVEMENT AREA
FY2016/17 SCHEDULE**

May 31, 2016 City Council - Approve Annual Report and Resolution of Intention to Levy an Assessment for FY2016/17

June 7, 2016 Publish Resolution of Intention

June 14, 2016	City Council – Public Hearing
----------------------	--------------------------------------

**BUSINESS IMPROVEMENT AREA FEES
ANNUAL FEES AS OF JULY 1, 2016**

Attachment 1

Downtown Plaza BIA:		Minimum:	\$115		Maximum:	\$9,185
			<u>Flat Amount</u>		<u>Increment</u>	<u>Basis</u>
	Gross Receipts	\$10,000 or less:	\$115		-	
		more than \$10,000:	\$115	+	.0008	of amount over \$10,000
	Gross Payroll	Flat fee	\$115		-	
Professional			\$115	+	\$39	per employee
Brokers			\$115	+	\$39	per employee
Hotel/Motel			\$115	+	\$1	per unit in excess of 4
Commercial Rental Gross Receipts:						
		\$10,000 or less:	\$115		-	
		more than \$10,000:	\$115	+	.0008	of amount over \$10,000

FRANKLIN BLVD BIA:		Minimum:	\$58		Maximum:	\$597
			<u>Flat Amount</u>		<u>Increment</u>	<u>Basis</u>
Retail	Gross Receipts		-		.000535	of gross receipts
Non-Retail	Flat Fee		\$58		-	

DEL PASO BLVD BIA:		Minimum:	\$25		Maximum:	\$578
			<u>Flat Amount</u>		<u>Increment</u>	<u>Basis</u>
Retail	Gross Receipts	\$10,000 or less:	\$25		-	
		more than \$10,000:	\$25	+	.0005	of amount over \$10,000
Non-Retail	Flat Fee		\$25		-	

STOCKTON BLVD BIA:		Minimum:	\$54		Maximum:	\$555
			<u>Flat Amount</u>		<u>Increment</u>	<u>Basis</u>
Retail	Gross Receipts					
		\$50,000 or less:	\$54		-	
		more than \$50,000:	\$54	+	.0005	of amount over \$50,000
Non - Retail	Flat Fee		\$54		-	

OLD SACRAMENTO BIA:		Minimum:	\$83		Maximum:	\$7,664
			<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			\$83		-	
* 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 2016/17**

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 Finance Division, 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) 2016/17 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 FY2016/17 Report.
- Section 4 The City Manager is authorized to make any necessary budgetary adjustments associated with the approved BIA budget for FY2016/17.
- Section 5 Exhibit A and B are part of this resolution.

Table of Contents:

Exhibit A: BIA Map

Exhibit B: FY2016/17 Del Paso BIA Fund Budget

Exhibit B
Del Paso Blvd. Business Improvement Area (Fund 2214)
BIA Fund Budget of the City FY2016/17

Estimated Beginning Fund Balance	2,623
Business Tax Collections	<u>30,377</u>
Total Resources	<u><u>\$33,000</u></u>
Distributions to BIA	33,000
Total Expenditures	<u><u>\$33,000</u></u>
Estimated Ending Fund Balance	<u><u>-</u></u>
Year-Over-Year Change in Fund Balance	(2,623)

RESOLUTION NO.

Adopted by the Sacramento City Council

**CONFIRMING THE ANNUAL REPORT FOR DOWNTOWN PLAZA
BUSINESS IMPROVEMENT AREA AND LEVYING ASSESSMENT
FOR FISCAL YEAR 2016/17**

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 Finance Division, 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) 2016/17 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 FY2016/17 Report.
- Section 4 The City Manager is authorized to make any necessary budgetary adjustments associated with the approved BIA budget for FY2016/17.
- Section 5 Exhibit A and B are part of this resolution.

Table of Contents:

Exhibit A: BIA Map

Exhibit B: FY2016/17 Downtown Plaza BIA Fund Budget

Exhibit A

Downtown Plaza Business Improvement Area

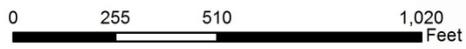
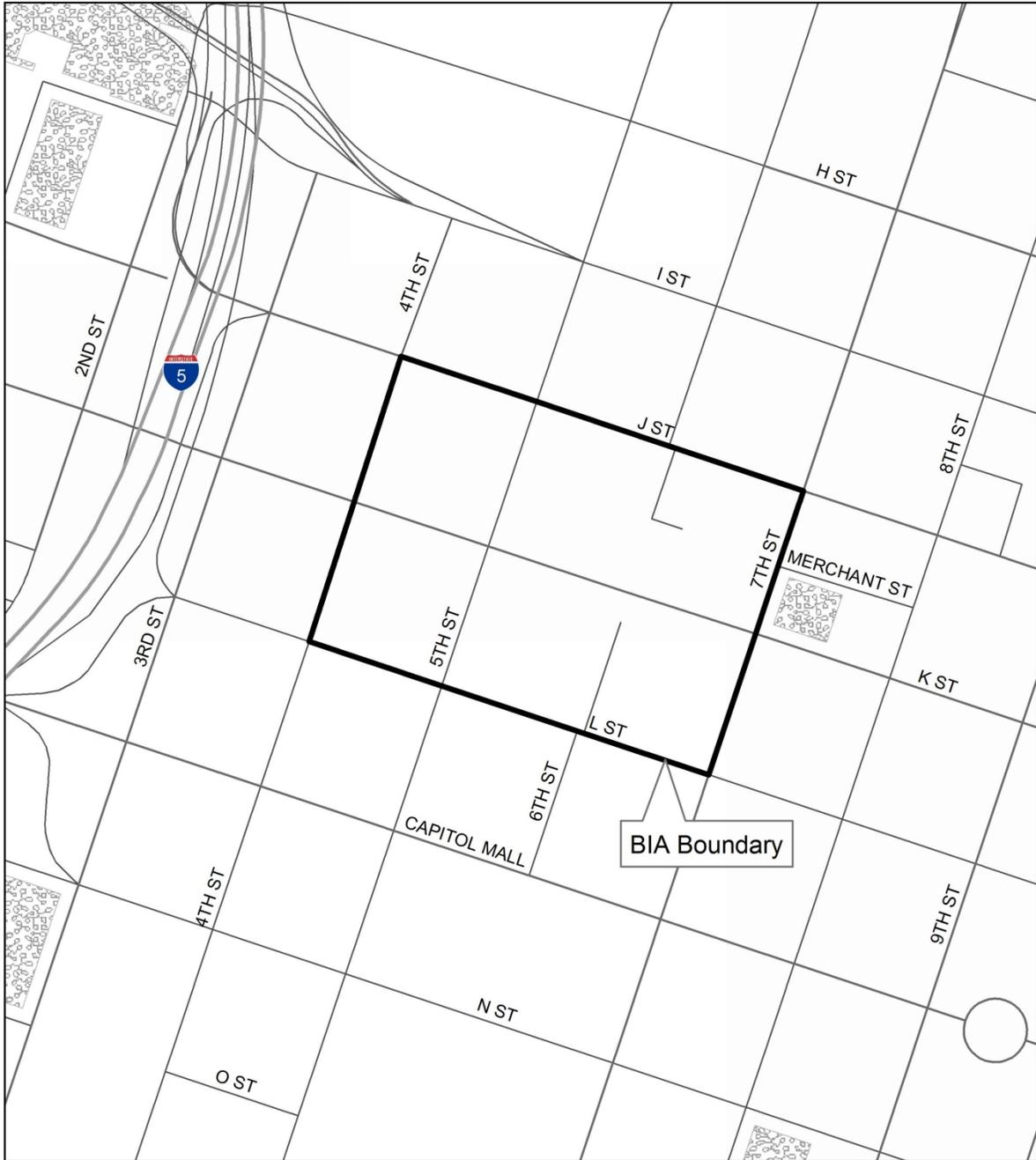


Exhibit B
Downtown Plaza Business Improvement Area (Fund 2209)
BIA Fund Budget of the City FY2016/17

Estimated Beginning Fund Balance	-
Business Tax Collections	<u>42,653</u>
Total Resources	<u><u>\$42,653</u></u>
Distributions to BIA	42,653
Total Expenditures	<u><u>\$42,653</u></u>
Estimated Ending Fund Balance	<u><u>-</u></u>
Year-Over-Year Change in Fund Balance	<u><u>-</u></u>

RESOLUTION NO.

Adopted by the Sacramento City Council

CONFIRMING THE ANNUAL REPORT FOR FRANKLIN BOULEVARD BUSINESS IMPROVEMENT AREA AND LEVYING ASSESSMENT FOR FISCAL YEAR 2016/17

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 Finance Division, 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) 2016/17 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 FY2016/17 Report.
- Section 4 The City Manager is authorized to make any necessary budgetary adjustments associated with the approved BIA budget for FY2016/17.

Section 5 Exhibit A and B are part of this resolution.

Table of Contents:

Exhibit A: BIA Map

Exhibit B: FY2016/17 Franklin Boulevard BIA Fund Budget

Exhibit A

Franklin Boulevard Business Improvement Area

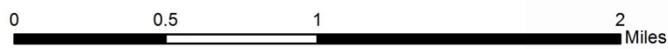
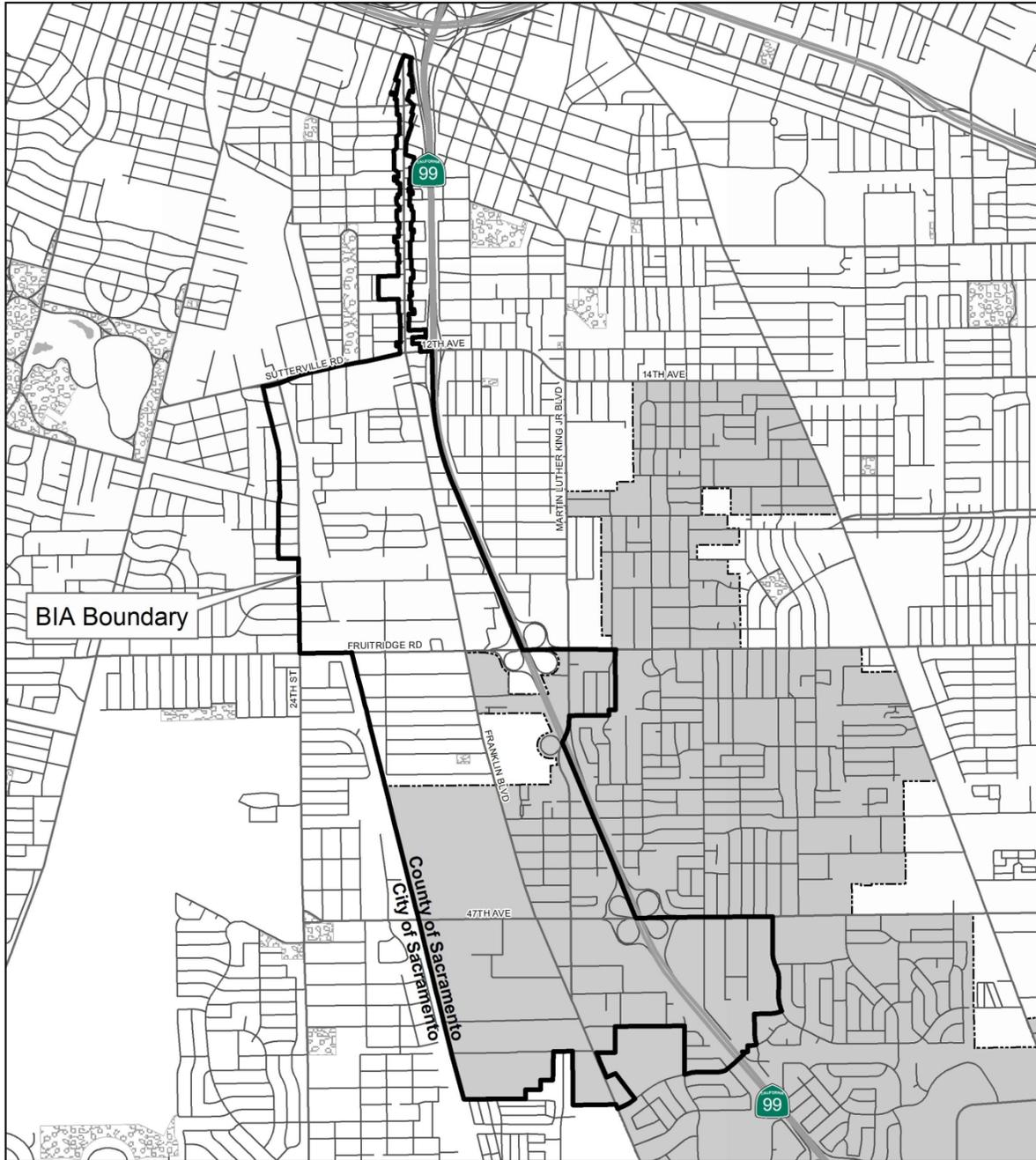


Exhibit B
Franklin Blvd Business Improvement Area (Fund 2212)
BIA Fund Budget of the City FY2016/17

Estimated Beginning Fund Balance	900
Business Tax Collections	<u>37,595</u>
Total Resources	<u><u>\$38,495</u></u>
Distributions to BIA	38,495
Total Expenditures	<u><u>\$38,495</u></u>
Estimated Ending Fund Balance	<u><u>-</u></u>
Year-Over-Year Change in Fund Balance	(900)

RESOLUTION NO.

Adopted by the Sacramento City Council

CONFIRMING THE ANNUAL REPORT FOR OLD SACRAMENTO BUSINESS IMPROVEMENT AREA AND LEVYING ASSESSMENT FOR FISCAL YEAR 2016/17

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 Finance Division, 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) 2016/17 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 FY2016/17 Report.
- Section 4 The City Manager is authorized to make any necessary budgetary adjustments associated with the approved BIA budget for FY2016/17.
- Section 5 Exhibit A and B are part of this resolution.

Table of Contents:

Exhibit A: BIA Map

Exhibit B: FY2016/17 Old Sacramento BIA Fund Budget

Exhibit A

Old Sacramento Business Improvement Area

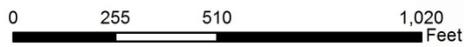
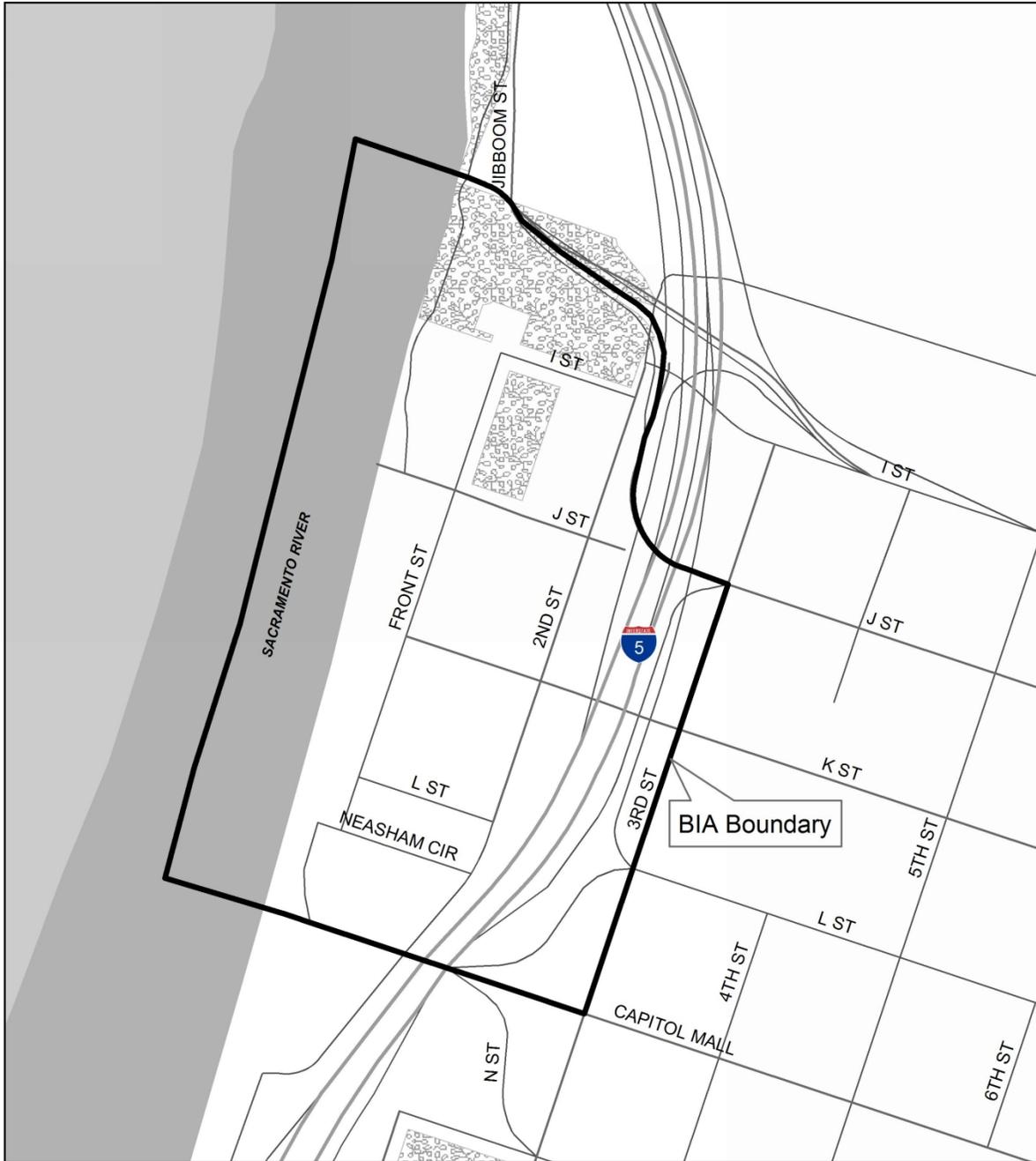


Exhibit B
Old Sacramento Business Improvement Area (Fund 2211)
BIA Fund Budget of the City FY2016/17

Estimated Beginning Fund Balance	1,118
Business Tax Collections	<u>155,387</u>
Total Resources	<u><u>\$156,505</u></u>
Distributions to BIA	156,505
Total Expenditures	<u><u>\$156,505</u></u>
Estimated Ending Fund Balance	<u><u>-</u></u>
Year-Over-Year Change in Fund Balance	(1,118)

RESOLUTION NO.

Adopted by the Sacramento City Council

**CONFIRMING THE ANNUAL REPORT FOR STOCKTON BOULEVARD
BUSINESS IMPROVEMENT AREA AND LEVYING ASSESSMENT
FOR FISCAL YEAR 2016/17**

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 Finance Division, 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) 2016/17 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 FY2016/17 Report.
- Section 4 The City Manager is authorized to make any necessary budgetary adjustments associated with the approved BIA budget for FY2016/17.
- Section 5 Exhibit A and B are part of this resolution.

Table of Contents:

Exhibit A: BIA Map

Exhibit B: FY2016/17 Stockton Boulevard BIA Fund Budget

Exhibit A

Stockton Boulevard Business Improvement Area

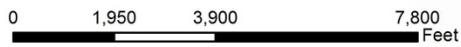
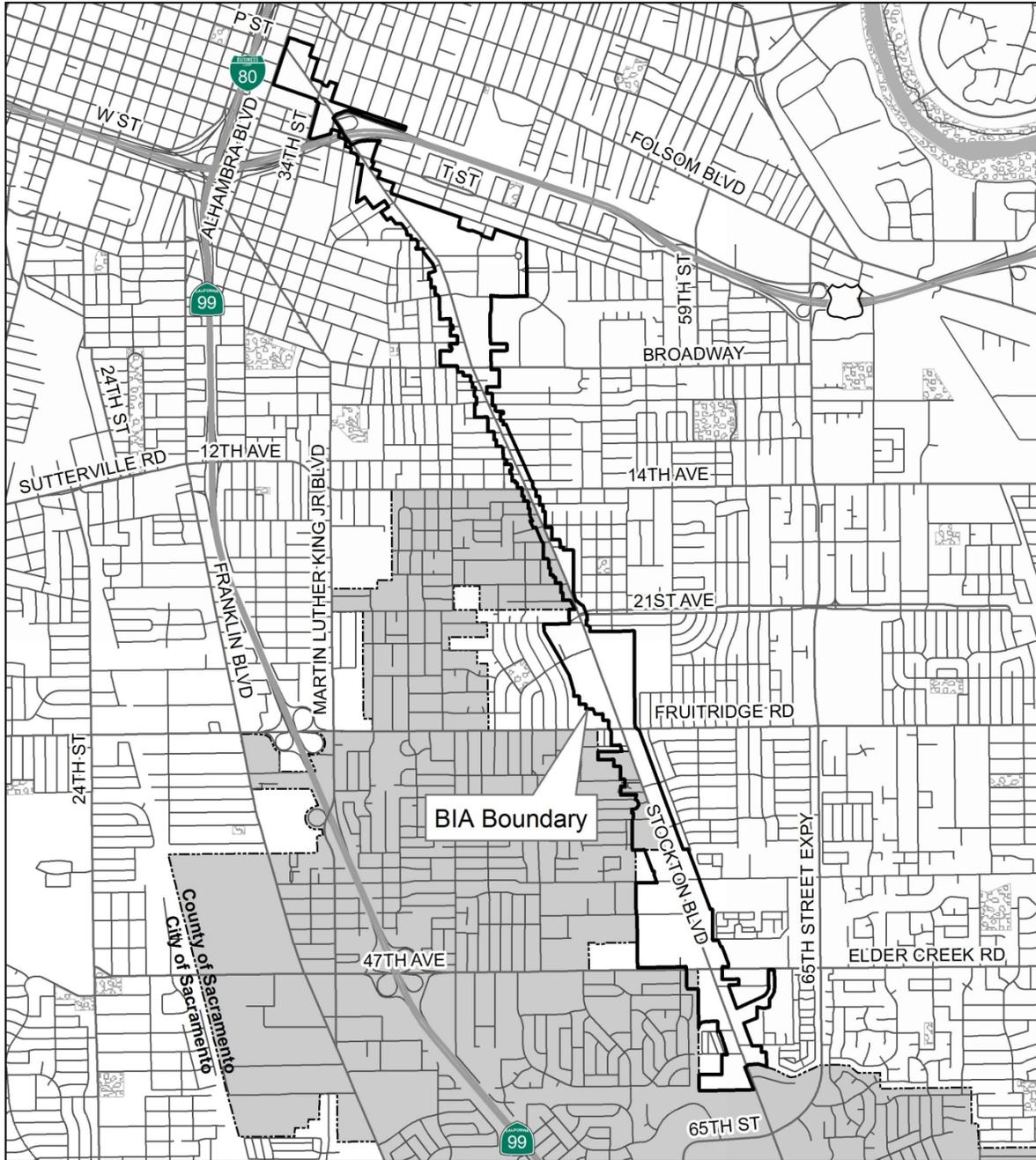


Exhibit B
Stockton Blvd. Business Improvement Area (Fund 2215)
BIA Fund Budget of the City FY2016/17

Estimated Beginning Fund Balance	862
Business Tax Collections	<u>45,007</u>
Total Resources	<u><u>\$45,869</u></u>
Distributions to BIA	45,869
Total Expenditures	<u><u>\$45,869</u></u>
Estimated Ending Fund Balance	<u><u>-</u></u>
Year-Over-Year Change in Fund Balance	(862)