



REPORT TO COUNCIL City of Sacramento

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915 I Street, Sacramento, CA 95814-2604
www. CityofSacramento.org

Consent
June 26, 2007

Honorable Mayor and
Members of the City Council

Title: FY2007/2008 Business Improvement Area (BIA) Annual Budget Adoption

Location/Council District: 1, 2, 5, 6

Recommendation: Adopt 1) a Resolution for the Del Paso BIA budget; 2) a Resolution for Downtown Plaza BIA budget; 3) a Resolution for Franklin Boulevard BIA budget; 4) a Resolution for Old Sacramento BIA budget; and 5) Stockton Boulevard BIA budget.

Contact: Brad Wasson, Revenue Manager, 808-5724

Presenters: N/A

Department: Finance

Division: Revenue

Organization No: 1121

Description/Analysis

Issue: Each BIA is required to submit an annual budget for City Council approval. This report recommends that the City Council approve the FY 2007/2008 budgets for the following five BIA's.

- Del Paso Boulevard Business Improvement Area
- Downtown Plaza Business Improvement Area
- Franklin Boulevard Business Improvement Area
- Old Sacramento Business Improvement Area
- Stockton Boulevard Business Improvement Area

Policy Considerations: City Code authorizes the City Council to review/audit the administration of the BIA's.

Environmental Considerations: Pursuant to Section 15378(b) (3), this is not a project under the California Environmental Quality Act.

Rationale for Recommendation: The Mayor and City Council have selected specific organizations to administer these self assessed business fees. The proposed budgets appear to be reasonable for promoting business in the area. Therefore, the Mayor and City Council should approve the organizations' budget for the BIA funds.

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. BIA fees will increase by 3.2% effective July 1, 2007. Attachment 1 is a BIA fee schedule effective July 1, 2007.

The City collects the fees at the time the Business Operations Tax is paid. The fees are then paid to agencies that the City Council has authorized to conduct promotion of the BIA. The proposed BIA expenditures are fully fee supported, with collection costs absorbed by the City.

Attached are the individual budgets as exhibits to the resolutions as submitted by each of the administrative organizations.

Emerging Small Business Development (ESBD): Not applicable.

Respectfully Submitted by: Brad Wasson
Brad Wasson, Revenue Manager

Approved by: Russ Fehr
Russ Fehr, Finance Manager

Recommendation Approved:

Ray Kerridge
Ray Kerridge
City Manager

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Attachment 1

BUSINESS IMPROVEMENT AREA FEES:

ANNUAL FEES AS OF JULY 1, 2007 / Current Fee Schedule

Downtown Plaza BIA (B): Minimum \$93 - Maximum \$7476			
	Gross Receipts	\$10,000 or less	\$93
		more than \$10,000	\$93 = .0008 x over \$10,000
	Gross Payroll	Flat fee	\$93
Professional			\$93 + \$34 per employee
Brokers			\$93 + \$34 per employee
Hotel/Motel			\$93 + 1 per unit in excess of 4
Commercial Rental		\$10,000 or less	\$93
		more than \$10,000	\$93 + .0008 x over \$10,000
FRANKLIN BLVD BIA (D): Minimum \$47 - Maximum \$486			
Retail	Gross Receipts		Gross Receipts x .000544
Non-Retail	Flat Fee		\$47
DEL PASO BLVD BIA (E): Minimum \$20 - Maximum \$470			
Retail	Gross Receipts	\$10,000 or less	\$20
		more than \$10,000	\$20 + .0005 x over \$10,000
Non-Retail	Flat Fee		\$20
STOCKTON BLVD BIA (F): Minimum \$43 - Maximum \$452			
Retail	Gross Receipts	\$50,000 or less	\$43
		more than \$50,000	\$43 + .0005 x \$50,000
Non - Retail	Flat Fee		\$43
OLD SACRAMENTO BIA (C): Minimum \$134 - Maximum \$6239			
* Retail - No Alcohol Sales			Total Gross Receipts x .0054
* Retail - Alcohol Sales			Total Gross Receipts x .0068
Non - Retail Flat Fee			\$68
* Note: Gross Receipts are exclusive of any alcohol sales			

RESOLUTION NO.

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2007/2008 DEL PASO BOULEVARD BUSINESS IMPROVEMENT AREA BUDGET

BACKGROUND

- A. The Del Paso Boulevard Business Improvement Area is established under Chapter 3.108 of the City Code for the purposes described therein.
- B. City Code section 3.108.010 requires that each Business Improvement Area (BIA) submit an annual budget for review. The purpose of an annual budget review is to ensure that the funds for each district are being used for purposes specified in the City Code. For each BIA, City Code section 3.108.080 specifies that the City Council shall reserve unto itself sole discretion as to how the revenue derived from the charges shall be used within the scope of said authorized purposes.
- C. Staff has reviewed the FY 2007/2008 budget showing estimated FY 2007/2008 BIA fees of \$44,500, and finds the budget to be adequate and reasonable for authorized purposes.
- D. The Council is fully advised in this matter.

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 and correct.
- Section 2. Adopt the proposed FY 2007/2008 Del Paso Boulevard Business Improvement Area budget as detailed in Exhibit A of the staff report.
- Section 3. Exhibit A is part of this resolution.

Table of Contents:

Exhibit A

Exhibit A

Proposed Annual Budget: 2007-2008
DEL PASO BOULEVARD BUSINESS IMPROVEMENT AREA

	BIA	Other	Total
Revenues			
Business Tax Collections	\$42,500.00	\$ -	\$42,500.00
Commercial Rental Tax Collections	\$ 2,000.00	\$ -	\$ 2,000.00
Total Revenues	<u>\$44,500.00</u>	<u>\$ -</u>	<u>\$44,500.00</u>
Expenses			
Operating/Administrative Expenses			
Coordinator -- Phantom Galleries	\$12,000.00	\$ -	\$12,000.00
Office expenses, administration, mailings, tax preparation and filings	\$ 2,500.00	\$ -	\$ 2,500.00
	<u>\$14,500.00</u>	<u>\$ -</u>	<u>\$14,500.00</u>
Advertising			
Paid Media: Local print media (including Sacramento Bee, Sacramento News & Review, Sacramento Magazine)	\$10,000.00	\$ -	\$10,000.00
Graphic design	\$ 1,000.00	\$ -	\$ 1,000.00
Printing (flyers, posters)	\$ 2,000.00	\$ -	\$ 2,000.00
Banner program	\$ 4,000.00	\$ -	\$ 4,000.00
	<u>\$17,000.00</u>	<u>\$ -</u>	<u>\$17,000.00</u>
Special Events			
2nd Saturday promotion, streetscape celebration, recognition of new retail, BIA annual meeting	\$10,000.00	\$ -	\$10,000.00
Contingency -- general	\$ 3,000.00	\$ -	\$ 3,000.00
	<u>\$13,000.00</u>	<u>\$ -</u>	<u>\$13,000.00</u>
Total Expenses	<u>\$44,500.00</u>	<u>\$ -</u>	<u>\$44,500.00</u>

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2007/2008 DOWNTOWN PLAZA BUSINESS IMPROVEMENT AREA BUDGET

BACKGROUND

- E. The Downtown Plaza Business Improvement Area is established under Chapter 3.104 of the City Code for the purposes described therein.
- F. City Code section 3.104.010 requires that each Business Improvement Area (BIA) submit an annual budget for review. The purpose of an annual budget review is to ensure that the funds for each district are being used for purposes specified in the City Code. For each BIA, City Code section 3.104.080 specifies that the City Council shall reserve unto itself sole discretion as to how the revenue derived from the charges shall be used within the scope of said authorized purposes.
- G. Staff has reviewed the FY 2007/2008 budget showing estimated FY 2007/2008 BIA fees of \$121,000, and finds the budget to be adequate and reasonable for authorized purposes.
- H. The Council is fully advised in this matter.

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 and correct.
- Section 2. Adopt the proposed FY 2007/2008 Downtown Plaza Business Improvement Area budget as detailed in Exhibit A of the staff report.
- Section 3. Exhibit A is part of this resolution.

Table of Contents:

Exhibit A

Exhibit A

Downtown Plaza Business Improvement Area Annual Budget

Fiscal Year 2007/08

	BIA	Other	Total
Revenues			
Business Tax Collections	\$121,000.00	\$ -	\$121,000.00
Commercial Rental Tax Collections	\$ -	\$ -	\$ -
Total Revenues	\$121,000.00	\$ -	\$121,000.00
Expenses			
Operating/Administrative Expenses			
Holiday Décor service	\$ 13,000.00	\$ -	\$ 13,000.00
Taxes & Professional Fees	\$ 3,600.00	\$ -	\$ 3,600.00
	<u>\$ 16,600.00</u>	<u>\$ -</u>	<u>\$ 16,600.00</u>
Advertising			
Downtown Partnership	\$ 15,000.00	\$ -	\$ 15,000.00
SacBee-Tree Lighting	\$ 7,500.00	\$ -	\$ 7,500.00
	<u>\$ 22,500.00</u>	<u>\$ -</u>	<u>\$ 22,500.00</u>
Special Events			
Ice Rink Sponsorship	\$ 30,000.00	\$ -	\$ 30,000.00
Downtown Pluss	\$ 3,000.00	\$ -	\$ 3,000.00
Meadowview Jazz	\$ 250.00		\$ 250.00
Farmer's Market	\$ 2,550.00		\$ 2,550.00
Pacific Rim Street Fest	\$ 3,600.00		\$ 3,600.00
Holiday Tree	\$ 18,500.00	\$ -	\$ 18,500.00
Tree Lighting event	\$ 24,000.00	\$ -	\$ 24,000.00
	<u>\$ 81,900.00</u>	<u>\$ -</u>	<u>\$ 81,900.00</u>
Total Expenses	\$121,000.00	\$ -	\$121,000.00

RESOLUTION NO.

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2007/2008 FRANKLIN BOULEVARD BUSINESS IMPROVEMENT AREA BUDGET

BACKGROUND

- A. The Franklin Boulevard Business Improvement Area is established under Chapter 3.100 of the City Code for the purposes described therein.
- B. City Code section 3.100.010 requires that each Business Improvement Area (BIA) submit an annual budget for review. The purpose of an annual budget review is to ensure that the funds for each district are being used for purposes specified in the City Code. For each BIA, City Code section 3.100.080 specifies that the City Council shall reserve unto itself sole discretion as to how the revenue derived from the charges shall be used within the scope of said authorized purposes.
- C. Staff has reviewed the FY 2007/2008 budget showing estimated FY 2007/2008 BIA fees of \$56,000, and finds the budget to be adequate and reasonable for authorized purposes.
- D. The Council is fully advised in this matter.

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 and correct.
- Section 2. Adopt the proposed FY 2007/2008 Franklin Boulevard Business Improvement Area budget as detailed in Exhibit A of the staff report.
- Section 3. Exhibit A is part of this resolution.

Table of Contents:

Exhibit A

Exhibit A

Franklin Blvd Business Improvement Area Annual Budget

Fiscal Year 2007/08

	BIA	Other	Total
Revenues			
Beginning Reserves	\$ 5,000.00	\$ 5,000.00	\$ 10,000.00
Other Revenues-P-BID	\$ -	\$106,818.00	\$ 106,818.00
Business Tax Collections	\$36,000.00	\$ -	\$ 36,000.00
Commercial Rental Tax Collections	\$ 2,000.00	\$ -	\$ 2,000.00
County Billing	\$18,000.00		\$ 18,000.00
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Total Revenues	\$61,000.00	\$111,818.00	\$172,818.00
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Expenses			
Operating/Administrative Expenses			
Line Item 1-Security Coordination, Advocacy, Administration	\$32,500.00	\$ 52,500.00	\$ 85,000.00
Line Item 2-Quarterly Newsletter	\$ 7,000.00	\$ -	\$ 7,000.00
Line Item 3-Annual Report		\$ 1,000.00	\$ 1,000.00
Line Item 4-Maintenance (P-BID Area)		\$ 33,500.00	\$ 33,500.00
Line Item 5-Garbage Cans	\$ -	\$ 5,000.00	\$ 5,000.00
Line Item 6-Graffiti Removal/Shopping Cart Remov.	\$ 2,500.00	\$ -	\$ 2,500.00
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	\$42,000.00	\$ 92,000.00	\$ 134,000.00
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Advertising			
Line Item 1-Web Page Development/Execution	\$ 5,000.00	\$ -	\$ 5,000.00
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	\$ 5,000.00	\$ -	\$ 5,000.00
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Special Events			
Line Item 1-Event (Parade)	\$ 1,000.00	\$ 1,000.00	\$ 2,000.00
Line Item 2-Christmas Decorations	\$ 5,000.00	\$ 5,000.00	\$ 10,000.00
Line Item 3-Christmas Event	\$ 3,000.00	\$ 3,000.00	\$ 6,000.00
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	\$ 9,000.00	\$ 9,000.00	\$ 18,000.00
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Total Expenses	\$56,000.00	\$101,000.00	\$157,000.00
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2007/2008 OLD SACRAMENTO BUSINESS IMPROVEMENT AREA BUDGET

BACKGROUND

- A. The Old Sacramento Business Improvement Area is established under Chapter 3.96 of the City Code for the purposes described therein.
- B. City Code section 3.96.010 requires that each Business Improvement Area (BIA) submit an annual budget for review. The purpose of an annual budget review is to ensure that the funds for each district are being used for purposes specified in the City Code. For each BIA, City Code section 3.96.080 specifies that the City Council shall reserve unto itself sole discretion as to how the revenue derived from the charges shall be used within the scope of said authorized purposes.
- C. Staff has reviewed the FY 2007/2008 budget showing carry over fees of \$81,872 and estimated FY 2007/2008 BIA fees of \$132,000, and finds the budget to be adequate and reasonable for authorized purposes.
- D. The Council is fully advised in this matter.

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 and correct.
- Section 2. Adopt the proposed FY 2007/2008 Old Sacramento Business Improvement Area budget as detailed in Exhibit A of the staff report.
- Section 3. Exhibit A is part of this resolution.

Table of Contents:

Exhibit A

Exhibit A

Old Sacramento Business Improvement Area Annual Budget

Fiscal Year 2007/08

	BIA	Other	Total
Revenues			
Beginning Reserves	\$ 81,872.00	\$ -	\$ 81,872.00
Other Revenues	\$ -	\$ -	\$ -
Business Tax Collections	\$131,000.00	\$ -	\$131,000.00
Commercial Rental Tax Collections	\$ 1,000.00	\$ -	\$ 1,000.00
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Total Revenues	\$213,872.00	\$ -	\$213,872.00
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Expenses			
Operating/Administrative Expenses			
Office Administration	\$ 20,000.00	\$ -	\$ 20,000.00
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	\$ 20,000.00	\$ -	\$ 20,000.00
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Advertising			
Website	\$ 21,000.00	\$ -	\$ 21,000.00
Brochure/rack cards/guide	\$ 36,000.00	\$ -	\$ 36,000.00
Marketing/PR/Other PR Opps	\$ 37,200.00	\$ -	\$ 37,200.00
Banners/Bunting/Kiosk	\$ 10,000.00	\$ -	\$ 10,000.00
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	\$104,200.00	\$ -	\$104,200.00
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Special Events			
Fall Harvest	\$ 8,000.00	\$ -	\$ 8,000.00
Heritage Holidays	\$ 30,000.00	\$ -	\$ 30,000.00
St. Pat's Day	\$ 8,000.00	\$ -	\$ 8,000.00
Jazz/Pony Express/Others	\$ 18,000.00	\$ -	\$ 18,000.00
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	\$ 64,000.00	\$ -	\$ 64,000.00
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Total Expenses	\$188,200.00	\$ -	\$188,200.00
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2007/2008 STOCKTON BOULEVARD BUSINESS IMPROVEMENT AREA BUDGET

BACKGROUND

- A. The Stockton Boulevard Business Improvement Area is established under Chapter 3.112 of the City Code for the purposes described therein.
- B. City Code section 3.112.010 requires that each Business Improvement Area (BIA) submit an annual budget for review. The purpose of an annual budget review is to ensure that the funds for each district are being used for purposes specified in the City Code. For each BIA, City Code section 3.112.080 specifies that the City Council shall reserve unto itself sole discretion as to how the revenue derived from the charges shall be used within the scope of said authorized purposes.
- C. Staff has reviewed the FY 2007/2008 budget showing estimated FY 2007/2008 BIA fees of \$53,000, and finds the budget to be adequate and reasonable for authorized purposes.
- D. The Council is fully advised in this matter.

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 and correct.
- Section 2. Adopt the proposed FY 2007/2008 Stockton Boulevard Business Improvement Area budget as detailed in Exhibit A of the staff report.
- Section 3. Exhibit A is part of this resolution.

Table of Contents:

Exhibit A

Exhibit A

Stockton Blvd Business Improvement Area Annual Budget
 Fiscal Year 2007/08

	BIA	Other	Total
Revenues			
Beginning Reserves	\$ -	\$ -	\$ -
Other Revenues	\$ -	\$ -	\$ -
Business Tax Collections	\$ 50,000.00	\$ -	\$50,000.00
Commercial Rental Tax Collections	\$ 2,000.00	\$ -	\$ 2,000.00
County Billing	\$ 1,000.00		\$ 1,000.00
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Total Revenues	\$ 53,000.00	\$ -	\$53,000.00
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Expenses			
Advertising			
General Promotion	\$ 30,000.00	\$ -	\$30,000.00
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	\$ 30,000.00	\$ -	\$30,000.00
Special Events			
Events & Special Projects	\$ 15,000.00	\$ -	\$15,000.00
Receptacle Maintenance	\$ 8,000.00	\$ -	\$ 8,000.00
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	\$ 23,000.00	\$ -	\$23,000.00
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Total Expenses	\$ 53,000.00	\$ -	\$53,000.00
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