REPORT TO COUNCIL 20
City of Sacramento

915 I Street, Sacramento, CA 95814-2671
www. CityofSacramento.org

CONSENT
May 23, 2006

Honorable Mayor and
Members of the City Council

Subject: Del Paso Boulevard Property and Business Improvement District – Initiate Annual Proceedings FY2006/07

Location/Council District:

The Del Paso Boulevard Property and Business Improvement District (PBID) is located in Council District 2. The district includes approximately 193 parcels and 116 property owners in the North Sacramento Redevelopment Area (Exhibit A, page 7).

Recommendation:

Adopt a Resolution: 1) Adopting the Del Paso Boulevard PBID Annual Budget and Levying Assessment; and 2) Amending FY 2006/07 City's Budget

Contact: Sini Makasini, Administrative Analyst, (916) 808-7967; Mark Griffin, Fiscal Manager, (916) 808-8788
Presenters: Not Applicable
Department: Development Services
Division: Public Improvement Financing
Organization No: 4815

Summary:

The Del Paso Boulevard PBID was established to provide funding for economic development, image enhancement, security and maintenance services, and advocacy/administration with the intent of continuing to create a positive atmosphere in the North Sacramento Redevelopment Area. The recommended Council action is to adopt the attached Resolution of Intention (ROI) to levy and collect assessments for 2006/07. The proposed budget of $210,000 will not be adjusted from the FY 2005/06 budget.

Committee/Commission Action: None

Background Information:

PBID Concept: The formation of the PBID was initiated by a growing coalition of property and business owners along Del Paso Boulevard and is a cooperative effort between Sacramento Housing and Redevelopment Agency (SHRA) and the City of Sacramento. The purpose of the District is to provide special services to enhance and revitalize a designated area of the Del Paso Boulevard commercial corridor area. The PBID will enhance and support the City, and the Sacramento Housing and Redevelopment Agency's (SHRA) efforts to attract new business investment and jobs to the area. Under the Property and Business Improvement District concept, the cost will be shared by each property owner, based on the level of benefit received, over and above a baseline level of City services already provided to the area. The baseline City services will not change (will not decrease), from the current level provided because of the enhanced services provided by the PBID.

Management Plan: The Del Paso Boulevard "Management Plan" is a comprehensive document, which describes the process of forming the PBID and identifies the services provided to the property and business owners. A copy of the Management Plan has been filed with the City Clerk's office.

Services: A complete list of services to be provided is included in the Management Plan, however a brief overview follows:

1. Security and Maintenance Enhancement

   The proposed Security and Maintenance Program will improve the overall safety and appearance of Del Paso Boulevard. Security will be a collaborative effort with the Sacramento Police Department. The District will be improved by making the area more attractive through street cleaning, as well as, security and maintenance crews providing assistance to visitors and tenants in the area. The security and maintenance crews will be responsive to the property and business owners in the Del Paso Boulevard PBID.

2. Image Enhancement

   The Image Enhancement Program will communicate with the owners, businesses and the public about what clean and safe programs are taking place as well as the distinct opportunities on Del Paso Boulevard. The PBID will market everything Del Paso Boulevard has to offer and implement a promotional program to attract potential businesses and new visitors to the area. Special events will be coordinated to attract visitors and businesses.

3. Advocacy / Administration

The Del Paso Boulevard PBID will retain professional representation to advance Del Paso Boulevard property and business interests by speaking with one clear, credible, and unified voice. The PBID will advocate for matching funds and will work to leverage additional money from various sources for Del Paso Boulevard commercial area improvements. The Del Paso Boulevard PBID will have a voice in the planning and implementation of various streetscape and physical improvement projects along Del Paso Boulevard.

Financial Considerations:

Financing will be provided by levy of assessments upon real property that benefits from improvements and activities. The PBID does not plan to issue bonds.

Budget: PBID assessment budget for FY 2006/07 is $210,000 (Details on Exhibit B pg. 11): The Del Paso Boulevard PBID District will receive an approximate total of $206,170. The remaining $3,830.00 will be retained by the City to cover City administration cost.

Program	Budget	**% of Total**
Security and Maintenance Enhancement	$130,500	62.0
Image Enhancement	$35,000	17.0
Advocacy / Administration	$34,000	16.0
Contingency / PBID Renewal	$10,500	5.0
Total	**$ 210,000**	**100.0**

Annual assessment rates are based on an allocation of program costs and a calculation of parcel square footage. The cost to the property owner is $0.10 per parcel square foot in Zone 1 and $0.035 per parcel square foot in Zone 2. Religious properties are assessed at a rate which is 50% of the full assessment in both Zone 1 and Zone 2. Auto wrecking properties are assessed at a rate which is 30% of the full assessment in both Zone 1 and Zone 2. Residential properties with 4 units or less are not assessed.

Environmental Considerations:

Under the California Environmental Quality Act (CEQA) guidelines, annual proceedings of a Special District do not constitute a project, and are therefore exempt from review.

Policy Considerations:

The annual proceedings for this district are being processed as set forth in the Landscaping and Lighting Act of 1972, California Streets and Highways Code sections 22500, et seq. This process is consistent with the City's Strategic Plan 3-Year Goal to "achieve sustainability and enhance livability".

Emerging Small Business Development (ESBD):

City Council approval of these proceedings is not affected by City policy related to the ESBD Program.

Respectfully Submitted by: _____
Mark Griffin
Fiscal Manager, Development Services Department

Respectfully Submitted by: _____ for
Carol Shearly
Director of Planning, Development Services Department

Recommendation Approved:

_____
Ray Kerridge
City Manager

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Pg. 5-6	Resolution Adopting Annual Del Paso Blvd PBID Budget and Levying Assessment
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Pg. 11	Exhibit B, District Budget & Parcel Assessment

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RESOLUTION NO. 2006-

Adopted by the Sacramento City Council

ADOPTING THE ANNUAL DEL PASO BOULEVARD PROPERTY AND BUSINESS IMPROVEMENT DISTRICT BUDGET AND LEVYING ASSESSMENT (FY 2006/07)

BACKGROUND:

A. The Del Paso Boulevard Property and Business Improvement District ("District"), as depicted in Exhibit A, was established by the City Council and approved by the property owners on May 24, 2005.

B. The City Council established the District under the Property and Business Law of 1994 (California Streets and Highway Code–Sections 36600 to 36671) and has previously levied assessments on property in the District to pay for improvements and services to be provided within the District, all in accordance with the PBID Law of 1994.

C. The Del Paso Boulevard Property and Business Improvement District provides for economic development, image enhancement, security and maintenance services and advocacy/administration with the intent of continuing to create a positive atmosphere in the North Sacramento Redevelopment Area. All services are as defined within the Management District Annual Report, separately bound and on file in the City Clerk's Office, and by reference made a part of this resolution.

D. This year's assessments will not increase from the previous year, but below the highest authorized amount for this district shown on Exhibit B.

E. 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 E are true and correct.

Section 2. The City Council

(a) adopts the annual budget set forth in the FY 2006/07 Management Plan; and

(b) levies the assessment set forth in the FY 2006/07 Management Plan

Section 3. Exhibits A and B are part of this resolution.

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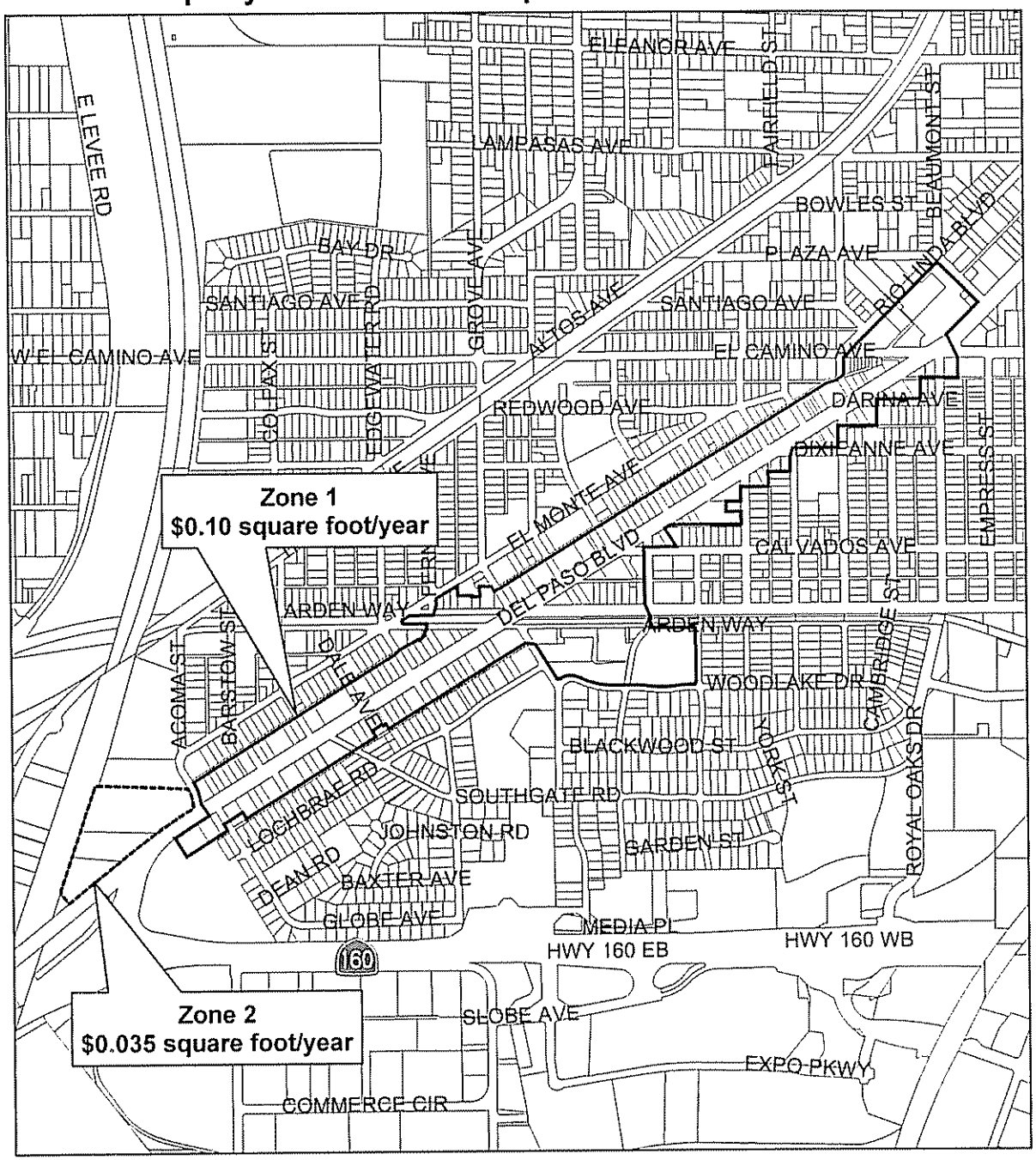
Exhibit A: District Map -1 Page
Exhibit B: FY2006/07 District & Parcel Assessment – 1 Page

EXHIBIT A

Boundary Map Del Paso Boulevard Property and Business Improvement District 2005-03



City Of Sacramento
Development Services Department
Special Districts

BMueller. 03/03/05

0 625 1,250 2,500 Feet

N W E S

EXHIBIT B

DEL PASO BOULEVARD
PROPERTY AND BUSINESS IMPROVEMENT DISTRICT
FY2006/2007
DISTRICT AND PARCEL ASSESSMENT

DISTRICT ASSESSMENT

District	FY 2006/07 Budget	Surplus/ (deficit)	FY 2006/07 Assessed
Del Paso Blvd. PBID	$210,000	$0	$210,000

PARCEL ASSESSMENT

FY 2006/07 Per Parcel Sq. Ft. ZONE1	FY 2006/07 Per Parcel Sq. Ft. ZONE 2	FY 2006/07 Religious Properties Per Parcel Sq. Ft.	Maximum Authorized Rate For 2006/07
$0.10	$0.035	$0.0050 Zone 1 $0.0175 Zone 2	Zone 1 $0.010 Zone 2 $0.035

RESOLUTION NO. 2006-

Adopted by the Sacramento City Council

**AMENDING THE FISCAL YEAR 2006/07
CITY'S BUDGET FOR THE DEL PASO BOULEVARD PROPERTY AND BUSINESS IMPROVEMENT DISTRICT
FUND 253**

BACKGROUND:

A. The Del Paso Boulevard Property and Business Improvement District ("District"), as depicted in Exhibit A, was established by the City Council and approved by the property owners on May 24, 2005.

B. The City Council established the District under the Property and Business Law of 1994 (California Streets and Highway Code–Sections 36600 to 36671) and has previously levied assessments on property in the District to pay for improvements and services to be provided within the District, all in accordance with the PBID Law of 1994.

C. 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 C are true and correct.

Section 2. The FY2006 revenue of $210,000 and expenditure of $210,000 budget is amended for the District as set forth in Exhibit B.

Section 3. The Finance Director is authorized to expend a portion of the budgeted funds in the amount of $3,830 for Development Services and for the Department of Finance to provide services for the District, as set forth in Exhibit B, which will be reimbursed by the District.

Section 4. Exhibits A and B are part of this resolution.

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Exhibit A: District Map – 1 Page
Exhibit B: FY2006/07 District Budget & Parcel Assessment – 1 Page

EXHIBIT A

Boundary Map Del Paso Boulevard Property and Business Improvement District 2005-03

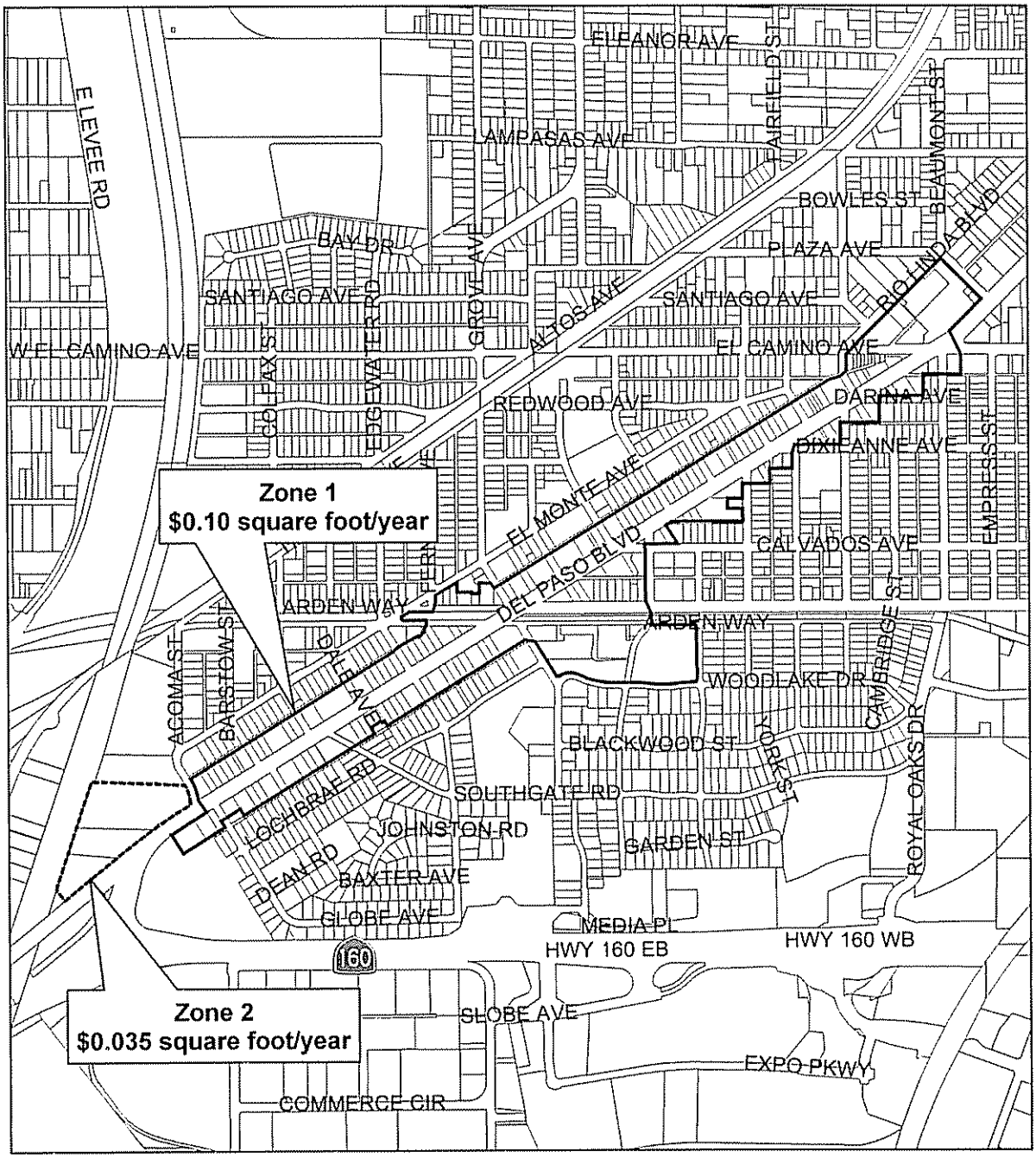

EXHIBIT B

DEL PASO BOULEVARD PROPERTY AND BUSINESS IMPROVEMENT DISTRICT FY 2006/07 BUDGET & PARCEL ASSESSMENT

Del Paso Blvd PBID	$206,170
Special Districts Administration	2,500
Consultant (Muni) Reporting	443
Finance Administration	713
County Billing Cost	174
Contingency	0
Subtotal	$210,000

PARCEL ASSESSMENT

ANNUAL ASSESSMENT RATES ARE BASED ON AN ALLOCATION OF PROGRAM COSTS ON A COST PER PARCEL SQ. FT. CALCULATION AS REFLECTED BELOW:

Benefit Zone	Cost Per Parcel Sq. Ft.
Zone 1	$0.010
Zone 2	$0.035
Religious Properties	
Zone 1	$0.0050
Zone 2	$0.0175