



# REPORT TO COUNCIL

## City of Sacramento

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

CONSENT  
June 1, 2010

**Honorable Mayor and  
Members of the City Council**

**Title: Oak Park Property and Business Improvement District (PBID) #2009-01 –  
Fiscal Year (FY) 2010/11 Annual Proceedings**

**Location/Council District:** Oak Park Commercial Corridor, Council District 5

**Recommendation:** Adopt a **Resolution** adopting the Oak Park PBID annual budget and levying an assessment for FY2010/11.

**Contact:** Jodie Vong, Administrative Analyst, (916) 808-8243; Mark Griffin, Fiscal Manager, (916) 808-8788

**Presenters:** Not Applicable

**Department:** Finance

**Division:** Public Improvement Financing

**Organization No:** 06001321

### **Description/Analysis**

**Issue:** The Property and Business Improvement District Area Law of 1994 requires the Oak Park PBID (District) to present an annual budget for City Council approval. Approval will authorize the City to collect assessments in the amount sufficient to provide funding for economic development, security services, maintenance services, and image enhancement within the Oak Park commercial corridor for FY2010/11.

**Policy Considerations:** The annual proceedings for the District are set forth in Section 36600 to 36671 of the California Streets and Highways Code, entitled "Property and Business Improvement District Law of 1994." This action is consistent with the Strategic Planning Focus Area of Sustainability and Livability.

**Environmental Considerations:**

**California Environmental Quality Act (CEQA):** 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.

**Sustainability Considerations:** There are no sustainability considerations applicable to the formation or administration of an assessment district.

**Committee/Commission:** None.

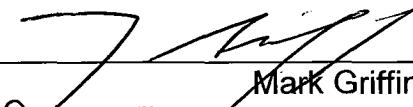
**Rationale for Recommendation:** The actions in the recommended Resolution are required by the California Streets and Highways Code, which is codified as Part 7 (beginning with Section 36600) of Division 18.

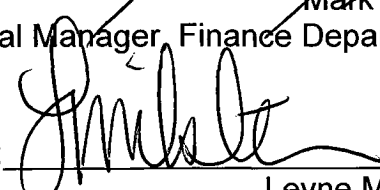
**Financial Considerations:** Financing will be provided by the levy of assessments upon real property that benefits from the improvements and activities of the District. The District does not issue bonds. City-owned properties (McClatchy Park and a vacant building) will have a total annual assessment of approximately \$28,952. Funding to pay for the assessments on City-owned property is included in the FY2010/11 Proposed Budget.

The District assessment budget for FY2010/11 is \$211,076. In addition, there is available fund balance of \$65,706 for a total of \$276,782 (details on Exhibit "B", page 8). The District will receive approximately \$270,163 for operations. Also, the balance of \$6,619 will be retained by the City to cover City administrative costs.

The annual operating budget will be adjusted to reflect these Council approved assessments and expenditure plans.

**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, Finance Department

Approved by:   
Leyne Milstein  
Director, Finance Department

Recommendation Approved:

  
Gus Vina  
Interim City Manager

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## **BACKGROUND**

The Oak Park PBID (District) was approved by City Council on August 5, 2004, in accordance with the Property and Business Improvement District Law of 1994. The District was renewed for seven more years on July 14, 2009, and became effective on January 1, 2010.

The District will continue to provide funding for the following services in the Oak Park commercial corridor:

- Security and Maintenance Enhancement
- Advocacy/Administration
- Image Enhancement
- Special Projects/Contingency

The District's Advisory Board has prepared the Annual Report, which is on file with the City's Public Improvement Financing Division, which has been designated by the City Clerk as the custodian of such records. The report addresses the current and proposed budgets and services to be provided. The Management District's Advisory Board is recommending an annual 1.8% Consumer Price Index (CPI) increase in the assessment.

The annual assessments are based upon allocation of program costs and a calculation per parcel square foot. The assessment rates proposed for FY2010/11 will increase by the February CPI of 1.8% as recommended by the District's Advisory Board. The cost to the property owner is \$0.125 per parcel square foot in Zone 1 and \$0.042 per parcel square foot in Zone 2. Tax exempt properties are assessed at \$0.032 per square foot in Zone 1 and residential properties with four units or less will not be assessed.

**RESOLUTION NO.**

Adopted by the Sacramento City Council

**ADOPTING THE ANNUAL OAK PARK PROPERTY AND BUSINESS IMPROVEMENT DISTRICT BUDGET AND LEVYING ASSESSMENT FOR FY2010/11**

**BACKGROUND**

- A. The Oak Park PBID (the “District”), boundaries of which are depicted in Exhibit A, was established by the City Council and approved by the property owners on July 14, 2009 (Resolution No. 2009-451).
- B. The City Council established the District under the Property and Business Law of 1994 (California Streets and Highway Code, Sections 36600 to 36671) (the PBID Law) 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.
- C. The 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 Oak Park Commercial Corridor Area. All services are as defined within the Management Plan. The Management Plan is on file with the Public Improvement Financing Division, which has been designated by the City Clerk as the custodian of such records.
- D. This year’s assessments will increase by 1.8%, which is equal to the maximum authorized amount for this district shown on Exhibit B.
- E. The City 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 that the background statements in paragraphs A through E above are true.
- Section 2.** The City Council hereby:
  - (a) Adopts the annual budget set forth in the FY2010/11 Management Plan; and
  - (b) Levies on property within the District the assessment set forth in the FY 2010/11 Management Plan.

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

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Exhibit B: FY2010/11 District Budget & Parcel Assessment – 1 Page



**EXHIBIT B**

**OAK PARK PBID NO. 2009-01  
FY2010/11 DISTRICT BUDGET AND PARCEL ASSESSMENT**

<b>Total Assessment Budget</b>		<b>\$211,076</b>
Available Fund Balance		<u>65,706</u>
Total Revenue		<u>\$276,782</u>
Special Districts Administration	\$4,932	
Consultant (NBS) Reporting	250	
Finance Administration	1,276	
County Billing Cost	<u>161</u>	
Less: Total Administration Expense		<u>\$6,619</u>
Estimated Total PBID Disbursement		<b><u>\$270,163</u></b>

**PARCEL ASSESSMENT**

<b>FY2010/11 Benefit Zone</b>	<b>Rate per Parcel Square Footage</b>	<b>Maximum Authorized Rate for FY2010/11</b>
Zone 1	\$0.125	\$0.125
Zone 1 (TAX EXEMPT)	\$0.032	\$0.032
Zone 2	\$0.042	\$0.042