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CITY OF SACRAMENTO

DEPARTMENT OF FINANCE

REVENUE DIVISION

September 13, 1985
RD:851228-ADM:MLM:ld

Budget & Finance Committee
Sacramento, California

Honorable Members in Session:

SUBJECT: DOWNTOWN BUSINESS IMPROVEMENT AREA BUDGET REVIEW

SUMMARY

The attached report recommends that the City Council approve the FY 1985/86 proposed budget for the Downtown Business Improvement Area.

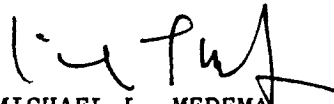
DISCUSSION

The FY 1985/86 proposed budget for the Downtown Business Improvement Area meets the expenditure criteria established by City Code Section 23.703.

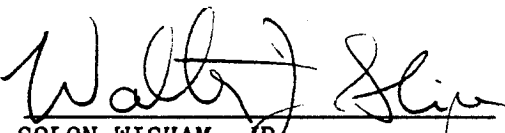
RECOMMENDATION

It is recommended that the Budget and Finance Committee recommend that the City Council adopt the proposed budget for the Downtown Business Improvement Area for FY 1985/86.

Respectfully submitted,


MICHAEL L. MEDEMA
Revenue Officer

RECOMMENDATION APPROVED:

FOR 
SOLON WISHAM, JR.
Assistant City Manager

Attachment

All Districts
October 22, 1985



CITY OF SACRAMENTO

DEPARTMENT OF FINANCE

REVENUE DIVISION

September 13, 1985
RD:851229-ADM:MLM:ld

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: DOWNTOWN BUSINESS IMPROVEMENT AREA BUDGET REVIEW

SUMMARY

This report recommends that the City Council approve the proposed FY 1985/86 expenditures for the Downtown Business Improvement Area.

BACKGROUND

The formation of the Downtown Business Improvement Area was approved in 1970 by the City Council. A special tax is levied in addition to the City's Business Operations Tax, on all businesses within the defined area to be expended for the following purposes per City Code Section 23.703:

- (a) The general promotion of retail trade activities in the Area.
- (b) The promotion of public events which are to take place on or in public places in the Area.
- (c) Decoration of any public place in the Area.
- (d) Furnishing of music in any public place in the Area.

Since establishment of the area, the City has contracted with the Sacramento Downtown Association to expend the monies collected as authorized annually by the City Council.

FINANCIAL

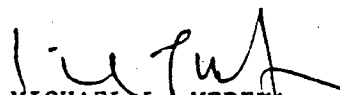
Staff has reviewed the actual expenditures for FY 1984/85 (Attachment I) and the proposed expenditures for FY 1985/86 (Attachment II) and concluded that the expenditures are within the scope authorized by City Code Section 23.703. The significant decrease from FY 1984/85 to FY 1985/86 is primarily attributable to the expenditure of \$18,000 of special reserves for Christmas trim on start-up costs for the Urban Times. The revenues for the area have and will continue to decline due to the tax structure adopted in 1970. State Constitution Article XIII A requires a two-thirds voter approval to increase a special tax. An alternative to increasing the tax rate to raise additional revenue is to

reorganize the area pursuant to the "Parking and Business Improvement Area Law of 1979." Staff has initiated discussion with representatives of merchants within the area to explore the feasibility and desire for a reorganization.

RECOMMENDATION

It is recommended that the City Council adopt the attached resolution which approves the proposed budget for the Downtown Business Improvement Area for FY 1985/86.

Respectfully submitted,


MICHAEL L. MEDEMA
Revenue Officer

RECOMMENDATION APPROVED:


WALTER J. SLIPE City Manager

Attachment

All Districts
October 29, 1985

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

RESOLUTION ADOPTING THE PROPOSED BUDGET FOR FY 1985/86
FOR THE DOWNTOWN BUSINESS IMPROVEMENT AREA.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

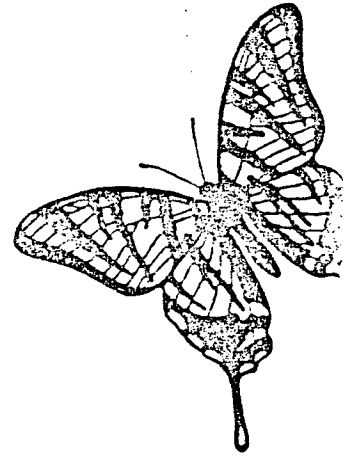
That the City Council hereby adopts the proposed budget for FY 1985/86 for the Downtown Business Improvement Area as detailed on Attachment II of the staff report.

MAYOR

ATTEST:

CITY CLERK

Sacramento Downtown Association



September 5, 1985

Mike Medema
City Finance Dept.
915 I Street
Sacramento, CA 95814

Dear Mike,

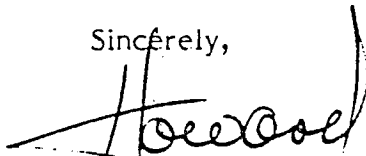
As you requested, enclosed is comparison of 1984-85 DBIA budget and actual money spent, figured on an accrual basis.

We began publication of *Urban Times* in November, 1984, delivered as an insert in the *Bee* and *Union* to 85,500 households. Our monthly tabloid provides a low cost advertising vehicle for downtown businesses, while publicizing downtown events and projecting a favorable image of the central city. The Board realized *Urban Times* would need a substantial subsidy the first 12 to 18 months.

Since the transit mall would not be ready for Christmas trim by 1985, a certificate of deposit that was reserved for Christmas trim in the amount of \$18,000 plus \$494.56 interest was moved, with Board approval, to the DBIA checking account to defray *Urban Times* subsidies. This amount, plus the year's beginning DBIA balance of \$3,816.93, monthly interest received on funds in the checking account, and \$73,810.84 received in City DBIA fees, made it possible to end the year with \$1,332.11 in the DBIA checking account.

Thank you for your continued help in DBIA financial matters.

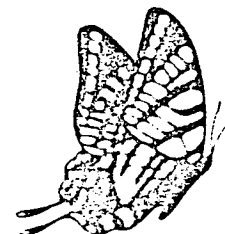
Sincerely,


Howard Evanson
Secretary-Manager

enc

200 P Street, Suite D21
Sacramento, CA 95814

442-2163



Downtown Sacramento

SACRAMENTO DOWNTOWN ASSOCIATION BUSINESS IMPROVEMENT ACCOUNT
 EXPENSES JULY 1, 1984 THROUGH JUNE 30, 1985

	<u>Actual</u>	<u>Budgeted for 1984-85</u>
Advertising		
Radio		
Newspaper		
Television		
Program (Camellia, etc.)	\$ 100.00	\$ 25,160
Special events/promotion		
Civil War	\$ 663.56	
Sacramento HS trees	913.58	
Caroling	120.00	
Public Schools Week	591.08	
Jazz Festival	<u>1,200.00</u>	8,000
DBIA News - masthead, eps, postage	2,954.27	2,000
Secret Witness	435.04	500
Administration	25,000.00	25,000
Tram subsidy	8,065.00	8,000
Meetings concerning promotion, special events, music, decoration, parking	795.92	1,500
Office supplies & phone	1,447.86	1,200
Office rent allocation	1,440.00	1,440
Insurance	452.00	800
Audit	750.00	800
Urban Times - expenses less income	<u>53,166.31</u>	<u>---</u>
	\$ 98,099.62	\$ 74,400

DOWNTOWN BUSINESS IMPROVEMENT AREA
1985-86 PROPOSED BUDGET

Approved by Sacramento Downtown Assn Board of Directors May 30, 1985
Approved at Downtown Business Improvement Area meeting June 13, 1985

Estimated income \$ 72,000
DBIA for 1985-86

Proposed expenditures

Urban Times	\$ 29,050 (new budget item)	
Mall trams subsidy	6,233 (down \$1,767)	
Special events	3,000 (down \$5,000)	
Secret Witness	500 (same)	
DBIA News (paper, eps, postage)	2,500 (up \$500)	
Administration, promotion planning and execution, public relations, Urban Times managing editor, advertising sales manager and reporter	26,000 (up \$1,000, 4% cost of living)	
Meetings concerning special events, decorations, parking	600 (down \$900)	
Office supplies, postage and phone	1,200 (same)	
Office rent allowance (\$3,000 is paid by SDA general account)	1,500 (up \$60)	
Insurance	500 (down \$300)	
Audit & tax returns	800 (same)	
Contingency	<u>117 (down \$1,883)</u>	\$ 72,000