



# REPORT TO COUNCIL

## City of Sacramento

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

CONSENT  
August 7, 2008

Honorable Mayor and  
Members of the City Council

**Title: Administrative Matter: Midtown Sacramento Property and Business Improvement District – Repeal Resolution No. 2008-442 and adopt the annual FY 2008-09 budget and levy assessment.**

**Location/Council District:** The Midtown Sacramento Property and Business Improvement District (PBID) is located in the central commercial core of Midtown Sacramento in Council Districts 1, 3, 4 and is comprised of approximately 560 parcels.

**Recommendation:** Adopt a Resolution authorizing 1) the repeal of Resolution No. 2008-442 and 2) the adoption the Midtown Sacramento PBID annual budget and levying assessment to establish the correct parcel assessment rates for Fiscal Year 2008-09 as shown in Exhibit B, page 8.

**Contact:** Sini Makasini, Administrative Analyst, (916) 808-7967; Mark Griffin, Fiscal Manager, (916) 808-8788

**Presenters:** Not Applicable

**Department:** Planning Department

**Division:** Public Improvement Financing

**Organization No:** 22001411

### Description/Analysis

**Issue:** On June 24, 2008, the City Council adopted Resolution No. 2008-442 to approve the annual budget and levying assessment for the Midtown PBID. Staff has recognized an error in the parcel assessment rates of Exhibit B to Resolution No. 2008-442. Therefore, we ask Council to adopt the attached Resolution, repealing Resolution No. 2008-442 thereby enacting the corrected parcel assessment rates listed in Exhibit B.

**Policy Considerations:** The annual proceedings for the District are being processed as set forth in section 36600 to 36671 of the California Streets and Highways Code, entitled "Property and Business Improvement District Law of 1994." This process is



consistent with the City's Strategic Plan 3 Year Goal to "achieve sustainability and enhance livability" and to "expand economic development throughout the City."

**Sustainability Considerations:** There are no sustainability considerations applicable to the formation process and administration of a special district.

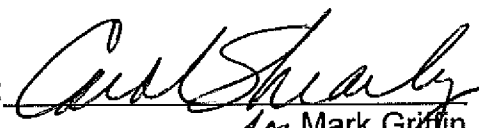
**Environmental Considerations:** Under the California Environmental Quality Act (CEQA) guidelines, annual proceedings of a Special District do not constitute a project, and are therefore exempt from review.

**Committee/Commission Action:** None

**Rationale for Recommendation:** In order to maintain the integrity of the City of Sacramento legislative history, it is necessary to repeal Resolution No. 2008-442 to reflect the correct assessment rates for FY 2008-09.

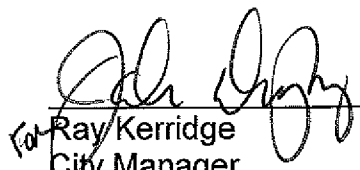
**Financial Considerations:** Financing will be provided by levy of assessments upon real property that benefits from improvements and activities. The PBID does not plan to issue bonds. The PBID assessment budget of \$592,250 is correct based on the revised assessment rate.

**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:   
for Mark Griffin  
Fiscal Manager, Planning Department

Approved by:   
Carol Shearly  
Director, Planning Department

Recommendation Approved:

  
Ray Kerridge  
City Manager

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**Attachment 1**

**BACKGROUND**

On June 24, 2008, Council approved Resolution No. 2008-442, adopting the annual budget and levying assessment for the Midtown Sacramento PBID. Staff has come back to Council to repeal Resolution No. 2008-442 to include the corrected parcel assessment rates, in order to recapture the correct assessment rate as approved by the Midtown Board of Directors and Management Plan.

**Attachment 2**

**RESOLUTION NO.**

Adopted by the Sacramento City Council

**REPEALING RESOLUTION NO. 2008-442 AND ADOPTING THE ANNUAL BUDGET  
AND LEVYING ASSESSMENT FOR MIDTOWN SACRAMENTO PROPERTY AND  
BUSINESS IMPROVEMENT DISTRICT  
(FY 2008/09)**

**BACKGROUND**

- A. On June 24, 2008, Council approved Resolution No. 2008-442, adopting the annual budget and levying assessment for the Midtown Sacramento PBID. Staff has come back to Council to repeal Resolution No. 2008-442 to include the corrected parcel assessment rates for FY 2008-09 shown as Exhibit B to this resolution.
- B. The Midtown Sacramento Property and Business Improvement District (“District”), the boundaries of which are depicted in Exhibit A, was established by the City Council and approved by the property owners on August 9, 2007 and became effective January 1, 2008.
- C. The City Council established the District under the Property and Business Improvement District 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.
- D. The District provides for clean and safe programs, parking services and marketing/advocacy promotion with the intent of continuing to create a positive business atmosphere in Midtown Business Corridor Area. All services are as defined within the Management Plan Annual Report, separately bound and on file in the City Clerk’s Office, and by reference made a part of this resolution.
- E. This year’s assessments will increase by 3% from the previous year, and are still below the highest authorized amount for the District shown on Exhibit B.
- F. 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 F above are true.

**Section 2.** The City Council hereby-

- a) repeals resolution no. 2008-442
- b) adopts the District's annual budget set forth in the FY 2008/09 Management Plan; and
- c) levies on property within the District the assessment set forth in the FY 2008/09 Management Plan.

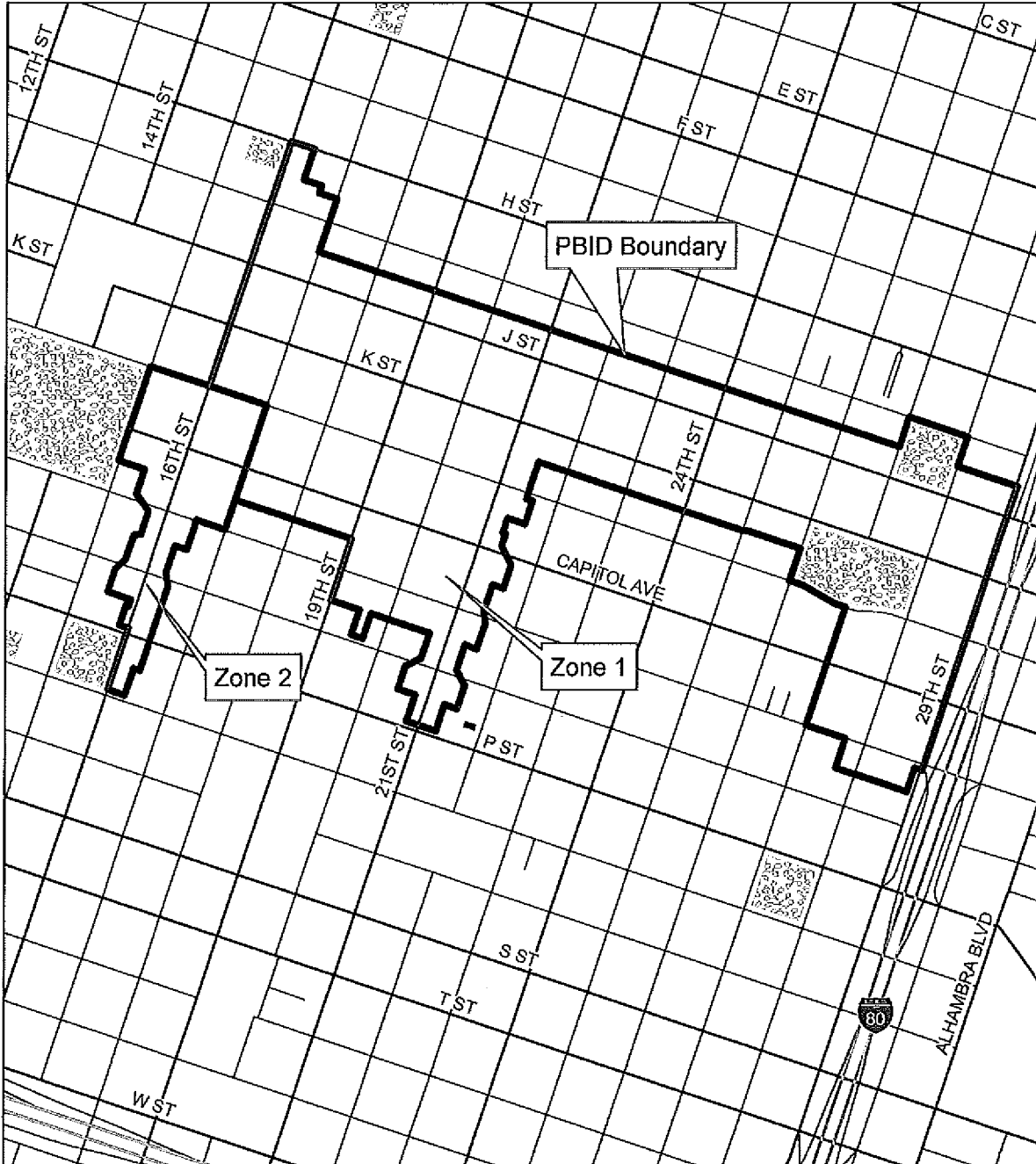
**Section 3.** Exhibits A and B are part of this resolution.

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Exhibit A: District Map -1 Page

Exhibit B: FY2008/09 District & Parcel Assessment -2 Pages

**EXHIBIT A**  
**Midtown Sacramento**  
**Property and Business Improvement District**



**EXHIBIT B**

**MIDTOWN SACRAMENTO  
PROPERTY AND BUSINESS IMPROVEMENT DISTRICT  
FY 2008/2009 DISTRICT AND PARCEL ASSESSMENT**

**DISTRICT ASSESSMENT**

District	FY 2008/09 Assessment Budget	Surplus / (deficit)	FY 2008/09 Revenue
Midtown Sacramento PBID	\$592,250	\$0	\$592,250



**EXHIBIT B (continued)  
 PARCEL ASSESSMENT**

Annual assessment rates are based on special benefit received. These special benefits have been calculated based on an allocation of program costs and a calculation of parcel square foot. Assessment rates vary based on property classification (see chart below). Assessment rates may be subject to an increase by no more than 3% per year.

Property Classification	Annual Rate per Lot Square Foot Zone 1	Annual Rate per Lot Square Foot Zone 2	Parking Service Charge
Standard Full Service Area (ZONE 1)	\$0.01298 \$0.1298	NA	Yes, \$.0216 included into annual rate
Standard Reduced Service Area (ZONE 2)	NA	\$0.00937 \$0.0937	Yes, \$.0216 included into annual rate
Religious, Educational or Other Charitable Tax-Exempt Parcels	\$0.01082 \$0.0585	\$0.00721 \$0.0390	No Parking Charge
Healthcare Tax Exempt Rate	\$0.01082 \$0.0801	\$0.00721 \$0.0534	No Parking Charge
Publicly-owned Parks	\$0.01082 \$0.1082	\$0.00721 \$0.0721	No Parking Charge

**Five Year Operating Budget  
 Annual Assessment with 3% Maximum Increase per Year**

	2008	2008	2009	2010	2012
Annual Assessment	\$575,000	\$592,250	\$610,018	\$628,318	\$647,168

