



REPORT TO COUNCIL

City of Sacramento

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

Consent
June 17, 2008

Honorable Mayor and
Members of the City Council

Title: FY2008/2009 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) a **Resolution** for 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 2008/2009 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.

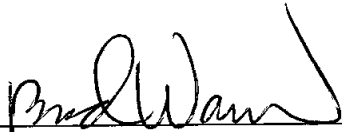
Rationale for Recommendation: The Mayor and City Council have selected specific organizations to administer these self assessed business fees. The proposed budgets appear to be reasonable for promoting business in the area. Therefore, the Mayor and City Council should approve the organizations' budgets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

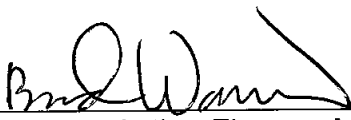
Financial Considerations: The proposed expenditures are supported by fees assessed against each business within the BIA. City Code allows for an annual increase of BIA fees based on the most current Consumer Price Index (CPI) data. BIA fees will increase by 2.8% effective July 1, 2008(see Attachment 1 for a revised BIA fee schedule).

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.

Individual budgets, as submitted by each of the administrative organizations, are attached as exhibits to the resolutions.

Emerging Small Business Development (ESBD): Not applicable.

Respectfully Submitted by: 
Brad Wasson, Revenue Manager

Approved by: 
Bradley Wasson, Acting Finance Manager

Recommendation Approved:



for Ray Kerridge
City Manager

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Attachment 1

BUSINESS IMPROVEMENT AREA FEES:

ANNUAL FEES AS OF JULY 1, 2008

Downtown Plaza BIA (B): Minimum \$96 - Maximum \$7678		
Gross Receipts	\$10,000 or less	\$96
	more than \$10,000	\$96 + .0008 x over \$10,000
Gross Payroll	Flat fee	\$96
Professional		\$96 + \$34 per employee
Brokers		\$96 + \$34 per employee
Hotel/Motel		\$96 + 1 per unit in excess of 4
Commercial Rental	\$10,000 or less	\$96
	more than \$10,000	\$96 + .0008 x over \$10,000
FRANKLIN BLVD BIA (D): Minimum \$48 - Maximum \$499		
Retail	Gross Receipts	Gross Receipts x .000544
Non-Retail	Flat Fee	\$48
DEL PASO BLVD BIA (E): Minimum \$21 - Maximum \$483		
Retail	Gross Receipts	
	\$10,000 or less	\$21
	more than \$10,000	\$21 + .0005 x over \$10,000
Non-Retail	Flat Fee	\$21
STOCKTON BLVD BIA (F): Minimum \$44 - Maximum \$464		
Retail	Gross Receipts	
	\$50,000 or less	\$44
	more than \$50,000	\$44 + .0005 x \$50,000
Non - Retail	Flat Fee	\$44
OLD SACRAMENTO BIA (C): Minimum \$138 - Maximum \$6407		
* Retail - No Alcohol Sales		Total Gross Receipts x .0054
* Retail - Alcohol Sales		Total Gross Receipts x .0068
Non - Retail Flat Fee		\$70
* Note: Gross Receipts are exclusive of any alcohol sales		

RESOLUTION NO.

Adopted by the Sacramento City Council

2008/2009 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 2008/2009 budget showing estimated FY 2008/2009 BIA fees of \$41,000, 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 2008/2009 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

Del Paso Blvd Business Improvement Area Annual Budget

Fiscal Year 2008 - 2009

	BIA	Total
Revenues		
Business Tax Collections	\$ 39,000.00	\$ 39,000.00
Commercial Rental Tax Collections	\$ 2,000.00	\$ 2,000.00
Total Revenues	\$ 41,000.00	\$ 41,000.00
Expenses		
Operating/Administrative Expenses		
Coordinator - 2nd Saturday	\$ 12,000.00	\$ 12,000.00
Office Expenses: Administration, Mailing, Tax preparation & Filing.	\$ 2,500.00	\$ 2,500.00
	<u>\$ 14,500.00</u>	<u>\$ 14,500.00</u>
Advertising		
Paid Media: Local print media (Including Sacramento Bee, Sacramento News & Review, Sacramento Magazine	\$ 7,000.00	\$ 7,000.00
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>\$ 14,000.00</u>	<u>\$ 14,000.00</u>
Special Events		
2nd Saturday Promotion, Streetscape Celebration		
Recognition of New Retail, BIA Annual Meeting	\$ 9,500.00	\$ 9,500.00
	<u>\$ 9,500.00</u>	<u>\$ 9,500.00</u>
Contingency		
General	\$ 3,000.00	\$ 3,000.00
	<u>\$ 3,000.00</u>	<u>\$ 3,000.00</u>
Total Expenses	\$ 41,000.00	\$ 41,000.00

RESOLUTION NO.

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2008/2009 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 2008/2009 budget showing estimated FY 2008/2009 BIA fees of \$110,000, 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 2008/2009 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 2008/09

	BIA	Total
Revenues		
Beginning Reserves	\$ -	\$ -
Other Revenues	\$ -	\$ -
Business Tax Collections	\$ 108,000.00	\$ 108,000.00
Commercial Rental Tax Collections	\$ 2,000.00	\$ 2,000.00
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Total Revenues	\$ 110,000.00	\$ 110,000.00
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Expenses		
Operating/Administrative Expenses		
Holiday Décor service	\$ 13,000.00	\$ 13,000.00
Taxes & Professional Fees	\$ 3,350.00	\$ 3,350.00
	\$ -	\$ -
	\$ -	\$ -
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	\$ 16,350.00	\$ 16,350.00
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Advertising		
Downtown Partnership	\$ 15,000.00	\$ 15,000.00
SacBee-Tree Lighting	\$ 6,500.00	\$ 6,500.00
	\$ -	\$ -
	\$ -	\$ -
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	\$ 21,500.00	\$ 21,500.00
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Special Events		
Ice Rink Sponsorship	\$ 27,000.00	\$ 27,000.00
Pacific Rim Street Fest	\$ 3,500.00	\$ 3,500.00
Holiday Tree	\$ 16,000.00	\$ 16,000.00
Tree Lighting event	\$ 25,650.00	\$ 25,650.00
	\$ -	\$ -
	\$ -	\$ -
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	\$ 72,150.00	\$ 72,150.00
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Total Expenses	\$ 110,000.00	\$ 110,000.00

RESOLUTION NO.

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2008/2009 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 2008/2009 budget showing estimated FY 2008/2009 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 2008/2009 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 2008/09

	BIA	P-BID	Total
Revenues			
Beginning Reserves	\$ 10,000.00	\$ 5,000.00	\$ 15,000.00
Other Revenues-P-BID	\$ -	\$ 105,000.00	\$ 105,000.00
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
Total Revenues	\$ 66,000.00	\$110,000.00	\$176,000.00
Expenses			
Operating/Administrative Expenses			
Line Item 1-Security Coord, Advocacy,Adm.	\$ 34,000.00	\$ 54,000.00	\$ 88,000.00
Line Item 2-Qtly. Newsletter	\$ 8,000.00	\$ -	\$ 8,000.00
Line Item 3- Annual Report	\$ -	\$ 1,500.00	\$ 1,500.00
Line Item 4- Maintenance (P-BID Area)	\$ -	\$ 41,000.00	\$ 41,000.00
Line Item 5-Garbage Cans	\$ 3,500.00		\$ 3,500.00
Line Item 6-Graffiti Removal/Shoping Cart Remov.	\$ 1,000.00	\$ 1,000.00	\$ 2,000.00
	\$ 46,500.00	\$ 97,500.00	\$144,000.00
Advertising			
Line Item 1 -		\$ -	\$ -
Line Item 2	\$ -	\$ -	\$ -
Line Item 3	\$ -	\$ -	\$ -
Line Item 4	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -
Special Events			
Line Item 1-Event (Parade)	\$ 2,000.00	\$ 2,000.00	\$ 4,000.00
Line Item 2-Christmas Decorations/Banners	\$ 4,000.00	\$ 4,000.00	\$ 8,000.00
Line Item 3-Christmas Event	\$ 1,500.00	\$ 1,500.00	\$ 3,000.00
Line Item 4-Second Saturday	\$ 2,000.00	\$ -	\$ 2,000.00
	\$ 9,500.00	\$ 7,500.00	\$ 17,000.00
Total Expenses	\$ 56,000.00	\$105,000.00	\$161,000.00

RESOLUTION NO.

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2008/2009 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 2008/2009 budget showing estimated FY 2008/2009 BIA fees of \$136,000, 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 2008/2009 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	Total
Revenues		
Beginning Reserves	\$ 23,134.00	\$ 23,134.00
Other Revenues	\$ -	\$ -
Business Tax Collections	\$ 135,000.00	\$ 135,000.00
Commercial Rental Tax Collections	\$ 1,000.00	\$ 1,000.00
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Total Revenues	\$ 159,134.00	\$ 159,134.00
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Expenses		
Operating/Administrative Expenses	\$ 30,000.00	\$ 30,000.00
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	\$ 30,000.00	\$ 30,000.00
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Advertising		
Website Maintenance	\$ 1,000.00	\$ 1,000.00
Branding	\$ 12,000.00	\$ 12,000.00
Brochure Distribution	\$ 8,000.00	\$ 8,000.00
Printing	\$ 18,000.00	\$ 18,000.00
Misc. Marketing/Advertising	\$ 24,000.00	\$ 24,000.00
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	\$ 63,000.00	\$ 63,000.00
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Special Events		
Bunting	\$ -	\$ -
Fall Harvest	\$ 5,000.00	\$ 5,000.00
Heritage Holidays	\$ 30,000.00	\$ 30,000.00
St. Patricks Day	\$ 8,000.00	\$ 8,000.00
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	\$ 43,000.00	\$ 43,000.00
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Total Expenses	\$ 136,000.00	\$ 136,000.00
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RESOLUTION NO.

Adopted by the Sacramento City Council

2008/2009 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 2008/2009 budget showing estimated FY 2008/2009 BIA fees of \$51,000, 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 2008/2009 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 2008/09

Revenues	<i>BIA</i>	<i>Total</i>
Beginning Reserves	\$ -	\$ -
Other Revenues	\$ -	\$ -
Business Tax Collections	\$ 48,000.00	\$ 48,000.00
Commercial Rental Tax Collections	\$ 2,000.00	\$ 2,000.00
County Billing	\$ 1,000.00	\$ 1,000.00
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Total Revenues	\$ 51,000.00	\$ 51,000.00
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Expenses		
Advertising		
General Promotion	\$ 29,000.00	\$ 29,000.00
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	\$ 29,000.00	\$ 29,000.00
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Special Events		
Events & Special Projects	\$ 14,400.00	\$ 14,400.00
Receptacle Maintenance	\$ 7,700.00	\$ 7,700.00
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	\$ 22,100.00	\$ 22,100.00
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Total Expenses	\$ 51,100.00	\$ 51,100.00
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