



REPORT TO COUNCIL

City of Sacramento

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

CONSENT
June 17, 2008

Honorable Mayor and
Members of the City Council

Title: North Franklin Property and Business Improvement District – Annual Proceedings FY2008/09

Location/Council District: The North Franklin Property and Business Improvement District (PBID) is located in Council District 5 within the North Franklin Commercial Corridor and is comprised of approximately 137 individual parcels (Exhibit A, page 7).

Recommendation: Adopt a **Resolution** adopting the North Franklin PBID annual budget, and levying assessment.

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: 4915

Description/Analysis

Issue: The Property and Business Improvement District Area Law of 1994 requires the District to present an annual budget for City Council approval. Approval of the district's annual budget will authorize the City to collect assessments in the amount sufficient to provide funding for security coordination and advocacy, maintenance and image enhancement program within the North Franklin PBID.

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."

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: The actions in the recommended Resolutions are required by part 7 (beginning with section 36600) of division 18 in the California Streets and Highways Code.

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.

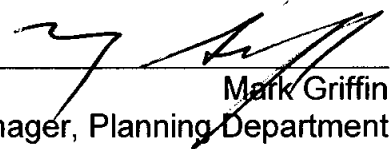
The PBID assessment budget for FY 2008/09 is \$105,000 (Exhibit B, page 8). The North Franklin PBID will receive an approximate total of \$102,608. The remaining \$2,876 will be retained by the City to cover City administration cost.

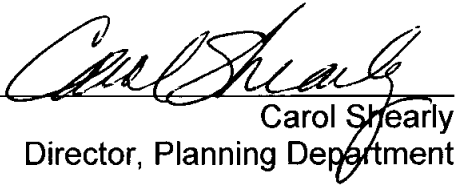
Program	Budget	% of Total
Security Coordination Advocacy & Administration	\$52,500	50.0%
Maintenance	\$41,000	39.2%
Image Enhancement	\$4,000	3.8%
Contingency	\$5,000	4.7%
Administrative Fees	\$2,500	2.3%
Total	\$105,000	100%

Annual assessment rates are based on an allocation of program costs and a calculation of parcel square footage plus parcel front footage along Franklin Boulevard. Assessment rates may be subject to an increase by no more than 3% per year or the Consumer Price Index (CPI), whichever is less.

Formal amendment to the City's FY budget 2008/09 will be brought under separate action after adoption of the Citywide budget.

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, Planning Department

Approved by: 
Carol Shearly
Director, Planning Department

Recommendation Approved:



Ray Kerridge
City Manager

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Attachment 1

BACKGROUND

The North Franklin PBID, formerly known as the Franklin Boulevard PBID, was approved by City Council on August 17, 2004, in accordance with the Property and Business Improvement District Law of 1994. The District was renewed for 5 more years on July 24, 2007 and became effective on January 1, 2008.

The district will continue to provide funding for the North Franklin PBID and to provide the following services in the North Franklin commercial corridor:

- Security Coordination and Advocacy
- Maintenance
- Image Enhancement Program

The Franklin Boulevard Business Association has prepared the Management Plan, which is on file with the City Clerk. The Management Plan is a comprehensive document, which describes the process of forming the PBID and providing the services identified by the property and business owners.

Attachment 2

RESOLUTION NO.

Adopted by the Sacramento City Council

ADOPTING THE ANNUAL BUDGET AND LEVYING ASSESSMENT FOR NORTH FRANKLIN PROPERTY AND BUSINESS IMPROVEMENT DISTRICT (FY 2008/09)

BACKGROUND

- A. The North Franklin Property and Business Improvement District (the “District”), the boundaries of which are depicted in Exhibit A, was renewed by the City Council and approved by the property owners on July 24, 2007. The District was approved for 5 years effective January 1, 2008.
- B. 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.
- C. The District provides for advocacy and communications, economic development and marketing, security coordination and maintenance services with the intent of continuing to create a positive atmosphere in the North Franklin Commercial Corridor. 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.
- D. This year’s assessments will not increase from the previous year, and are still below the highest authorized amount for the 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 are true and correct.

Section 2. The City Council hereby-

- a) adopts the annual budget set forth in the FY 2008/09 Management Plan; and

- b) 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.

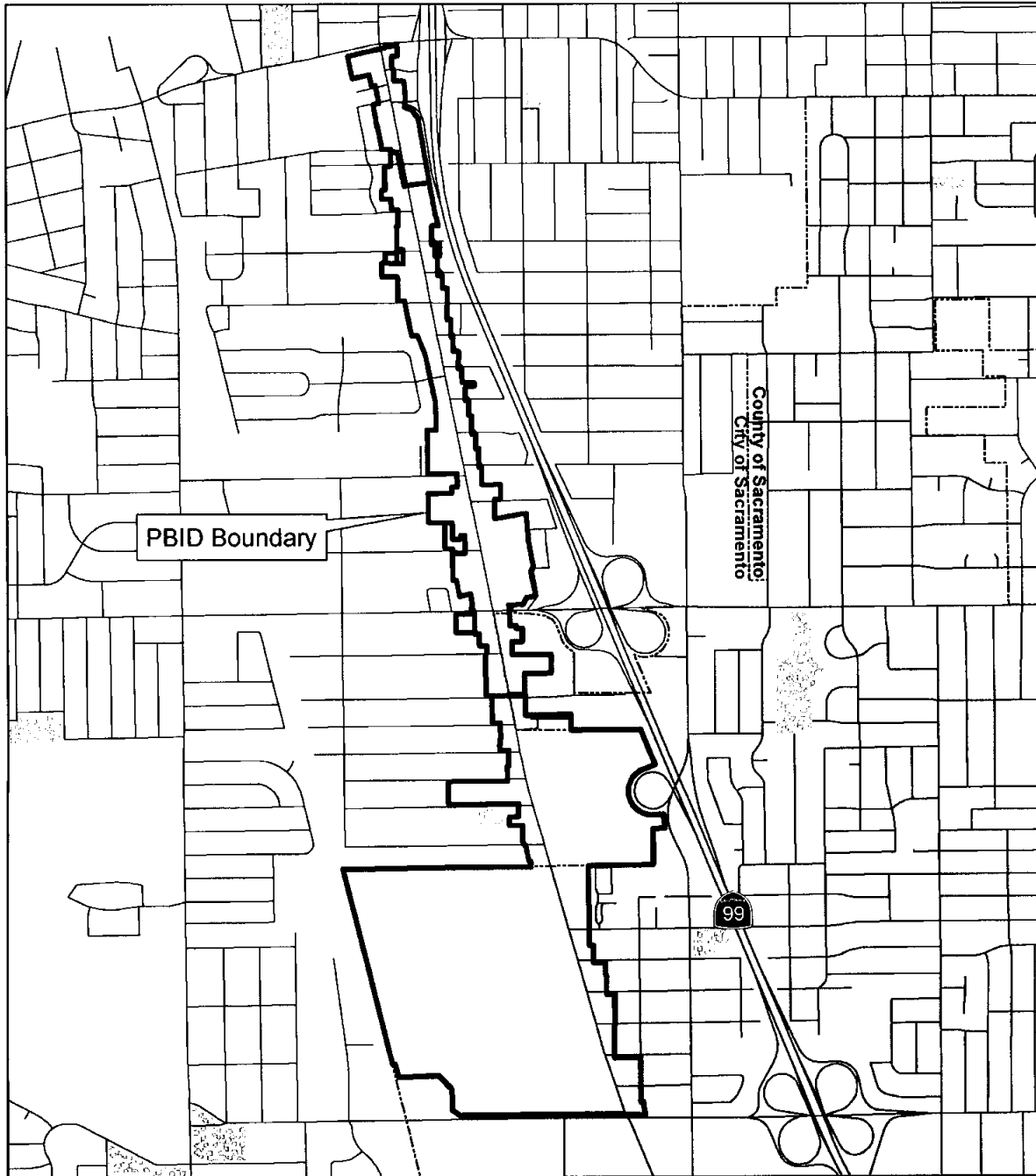
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EXHIBIT A

North Franklin Property and Business Improvement District



G.I.S.
City of
Sacramento
Planning Department
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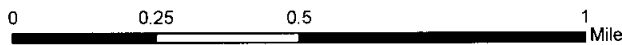


EXHIBIT B

**NORTH FRANKLIN
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
North Franklin PBID	\$105,000	\$484	\$105,484

PARCEL ASSESSMENT

Annual assessment rates are based on an allocation of program costs and a calculation of parcel square footage plus parcel front footage along Franklin Boulevard. Assessment rates may be subject to an increase by no more than 3% per year or the Consumer Price Index (CPI), whichever is less.

Zone	Parcel Square Footage Assessment	Parcel Front Footage Assessment	Exceptions
Zone 1	\$0.01 / sq. ft.	\$4.50 / ft.	Tax-exempt parcels are assessed at 10% of the full assessment.
Zone 2	\$0.00134 / sq. ft.	none	

FIVE YEAR OPERATING BUDGET

Annual Assessment with 3% Maximum Increase per Year

	2008	2009	2010	2011	2012
Annual Assessment	\$105,000.00	\$108,150.00	\$111,394.50	\$114,736.33	\$118,178.42