



REPORT TO COUNCIL

City of Sacramento

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

CONSENT
June 15, 2010

Honorable Mayor and
Members of the City Council

Title: Greater Broadway Property and Business Improvement District (PBID) –
Annual Proceedings for Fiscal Year (FY) 2010/11

Location/Council District: Council Districts 4 and 5, along Broadway between 3rd Ave.
and Franklin Boulevard.

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

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

Presenters: Not Applicable

Department: Finance

Division: Public Improvement Financing

Organization No: 06001321

Description/Analysis

Issue: The PBID Area Law of 1994 requires the Greater Broadway PBID
(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 and safety programs, image and
street maintenance, promotion and advocacy planning within the District for
FY2010/11.

Policy Considerations: The annual proceedings for the District are set forth in
Sections 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 renewal and administration of an assessment district.

Committee/Commission Action: None

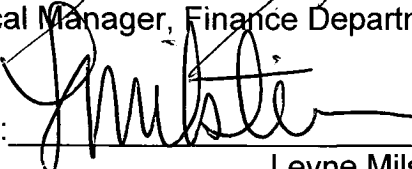
Rationale for Recommendation: The actions in the recommended Resolution are procedures prescribed by Part 7 (beginning with Section 36600) of Division 18 in the California Streets and Highways Code for the formation of a PBID.

Financial Considerations: Financing of the District will be provided by the levy of assessments upon real property that benefits from improvements and activities of the District. The District does not plan to issue bonds. The City of Sacramento participates as a property owner in the District. City-owned properties will have a total annual assessment of approximately \$46,000. Funding to pay the City’s Assessment is included in the FY2010/11 Proposed Budget.

The District assessment budget for FY2010/11 is \$226,397. In addition, there is available fund balance of \$13,888 for a total of \$240,285 (details on Exhibit B, page 8). The District will receive approximately \$235,273 for operations. The City will retain \$5,012 to cover City administrative costs. The annual operating budget for the District will be adjusted to reflect the 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:

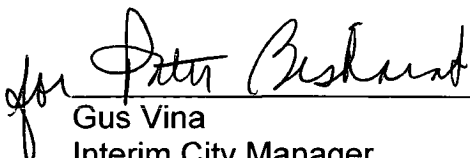

Gus Vina
Interim City Manager

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Attachment 1

BACKGROUND

The Greater Broadway PBID (District) was approved by City Council on July 17, 2007, in accordance with the PBID Area Law of 1994. The District was approved for 5 years and became effective on January 1, 2008. The PBID is comprised of approximately 214 individual parcels.

The District provides funding for the following services within the Broadway Commercial Corridor: Community Service Initiatives providing security patrol and daily street maintenance; Economic Development outreach and activities to convey a positive image for the area; Promotion of events and marketing, advocating consumer awareness of services available in the corridor.

The District Advisory Board has prepared the Annual Report, which is on file with the Public Improvement Financing Division, which the City Clerk has designated as the custodian of such records. The report addresses the proposed budgets and services to be provided.

The annual assessments are based upon allocation of program costs on a cost per square foot calculation. The assessment rates proposed for FY2010/11 will not increase as voted on by the PBID Board of Directors and approved by the District Management Plan.

Attachment 2

RESOLUTION NO.

Adopted by the Sacramento City Council

ADOPTING THE ANNUAL GREATER BROADWAY PROPERTY AND BUSINESS IMPROVEMENT DISTRICT BUDGET AND LEVYING ASSESSMENT FOR FY2010/11

BACKGROUND

- A. The Greater Broadway 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 July 17, 2007.
- 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, in accordance with the PBID Law.
- C. The District provides for security and safety programs, image enhancement and street maintenance, advocacy and planning with the intent of continuing to create a positive atmosphere in the District. All services are as defined within the Management Plan Annual Report, and by reference made a part of this resolution which is separately bound and on file with the Public Improvement Financing Division, which the City Clerk has designated as the custodian of such records.
- D. The FY2010/11 assessment rates 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 annual budget set forth in the FY2010/11 Management Plan is adopted and the assessments set forth in the FY2010/11 Management Plan are authorized to be levied.
- Section 3.** Exhibits A and B are part of this resolution.

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Exhibit A: District Map -1 Page

Exhibit B: FY2010/11 District & Parcel Assessment -2 Pages

EXHIBIT A

Greater Broadway Property and Business Improvement District

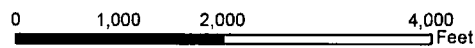
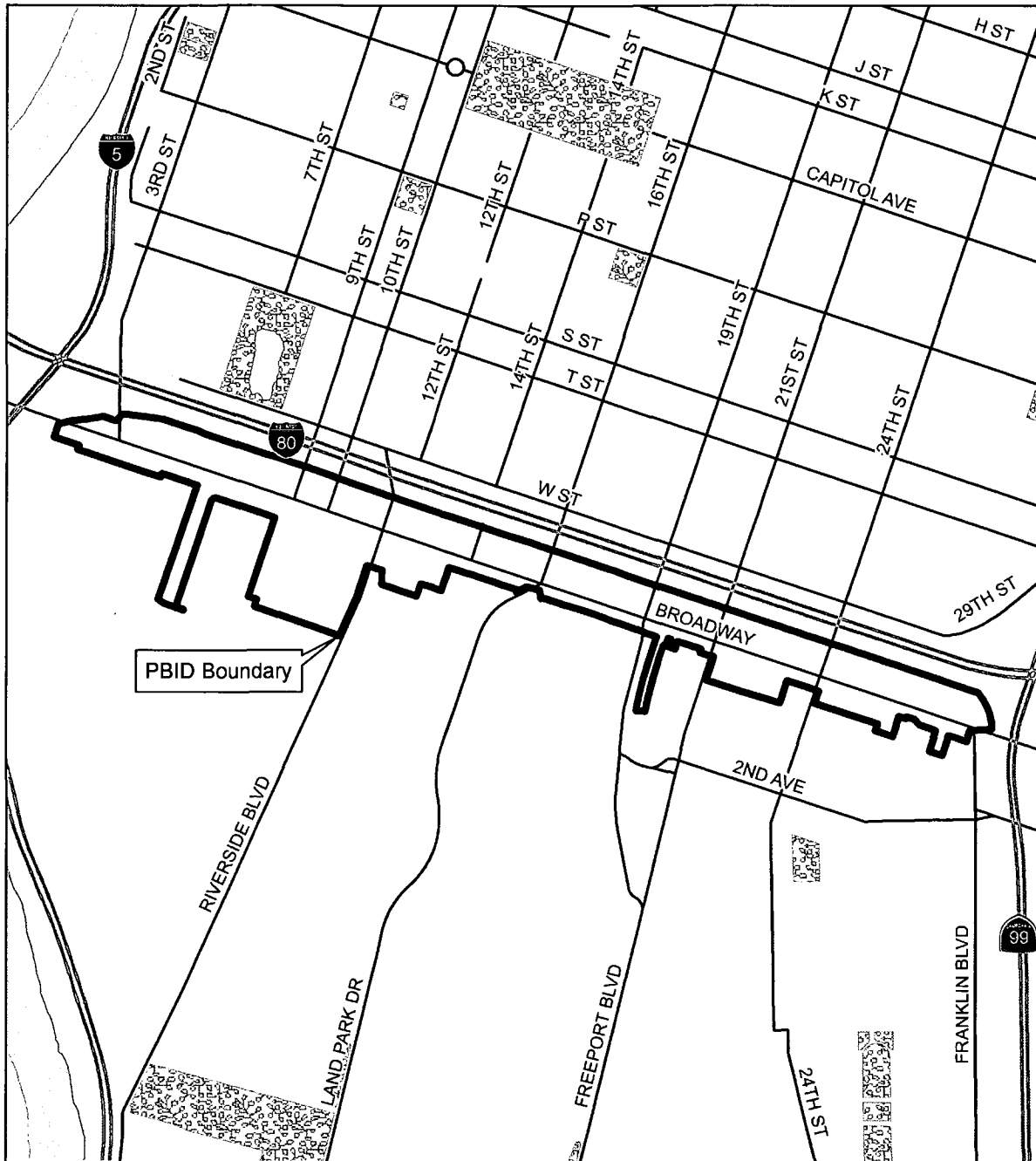


EXHIBIT B

**GREATER BROADWAY
PROPERTY AND BUSINESS IMPROVEMENT DISTRICT
FY2010/2011 DISTRICT BUDGET & PARCEL ASSESSMENT**

Total Assessment Budget		\$226,397
Available Fund Balance		<u>13,888</u>
Total Revenue		<u>\$240,285</u>
Special Districts Administration	\$3,306	
Consultant (NBS) Reporting	250	
Finance Administration	1,276	
County Billing Cost	<u>180</u>	
Less: Total City Administration Expense		<u>\$5,012</u>
Estimated Total PBID Disbursement		<u>\$235,273</u>

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 feet. The standard cost to the property owner is \$0.05 per parcel square foot. Assessment rates vary based on property classification (see chart below). Assessment rates may be subject to an increase of no more than the lesser of 3% per year or the Consumer Price Index.

Property Classification	Rate per Lot Square Foot per Year
Commercial Parcels and Residential Parcels with more than Four Units	\$0.05 per year
Religious and/or Charitable Tax-Exempt Parcels	Not Assessed to the Extent the Parcels Receive Property Tax-Exempt Status
Cemetery and Public Housing Parcels	\$0.025 per year
Residential Parcels with Four Units or Less	Not Assessed

EXHIBIT B (continued)

FIVE YEAR OPERATING BUDGET

Annual Assessment with 3% Maximum Increase per Year

	2008	2009	2010	2011	2012
Annual Assessment	\$220,000.00	\$226,600.00	\$233,398.00	\$240,399.00	\$247,611.00