

RESOLUTION NO. 2013-0270

Adopted by the Sacramento City Council

August 13, 2013

APPROVING THE ANNUAL REPORT FOR THE HANDLE BUSINESS IMPROVEMENT DISTRICT AND LEVYING ASSESSMENT FOR FISCAL YEAR (FY) 2013-14

BACKGROUND

- A. On July 19, 2011, City Council approved formation of the Handle Business Improvement District No. 2011-04 (District), depicted in Exhibit A, for a five-year term commencing in October 2011. The business owners within the boundaries of the District petitioned the City of Sacramento to establish the District in order to provide services and improvements intended to increase restaurant and retail sales within the District
- 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) (PBID Law) and has previously levied assessments on businesses in the District to pay for improvements and services to be provided within the District, in accordance with the PBID Law.
- C. Expenditures of assessment revenues provide for the following improvements and services within the District, all of which are intended to make the District safer, cleaner, and increase the commercial activity: (1) Security services are provided to complement existing security provided by City Police; (2) Lighting, landscaping, and signage; and 3) Image enhancement through events, marketing and advertising, to promote a vibrant commercial center. All services are as defined within the Annual Report and by reference made a part of this resolution. The Annual Report is separately bound and on file with the Public Improvement Financing Unit, which the City Clerk has designated as the custodian of such records.
- D. There is no change in the rate or methodology of assessment from the prior year.

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.
- Section 2. The City Manager is authorized to make any necessary budgetary adjustments associated with the District budget for FY 2013-14 as shown on Exhibit B.
- Section 3. The annual budget and assessments as set forth in the FY 2013-14 Annual Report are authorized.
- Section 4. Exhibits A and B are part of this resolution.

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Exhibit A: District Map

Exhibit B: FY 2013-14 District Budget & Business Assessment

Adopted by the City of Sacramento City Council on August 13, 2013 by the following vote:

Ayes: Councilmembers Ashby, Cohn, Fong, Hansen, McCarty, Pannell, Schenirer, Warren and Mayor Johnson

Noes: None

Abstain: None

Absent: None

Attest:

Shirley Concolino

Digitally signed by Shirley Concolino
DN: cn=Shirley Concolino, o=City Clerk, ou=City of Sacramento, email=sconcolino@cityofsacramento.org, c=US
Date: 2013.08.23 14:31:18 -07'00'

Shirley Concolino, City Clerk

Exhibit A
Boundary Map

Handle Business Improvement District No. 2011-04

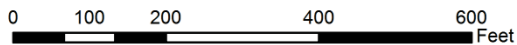
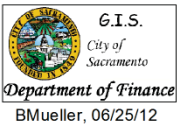
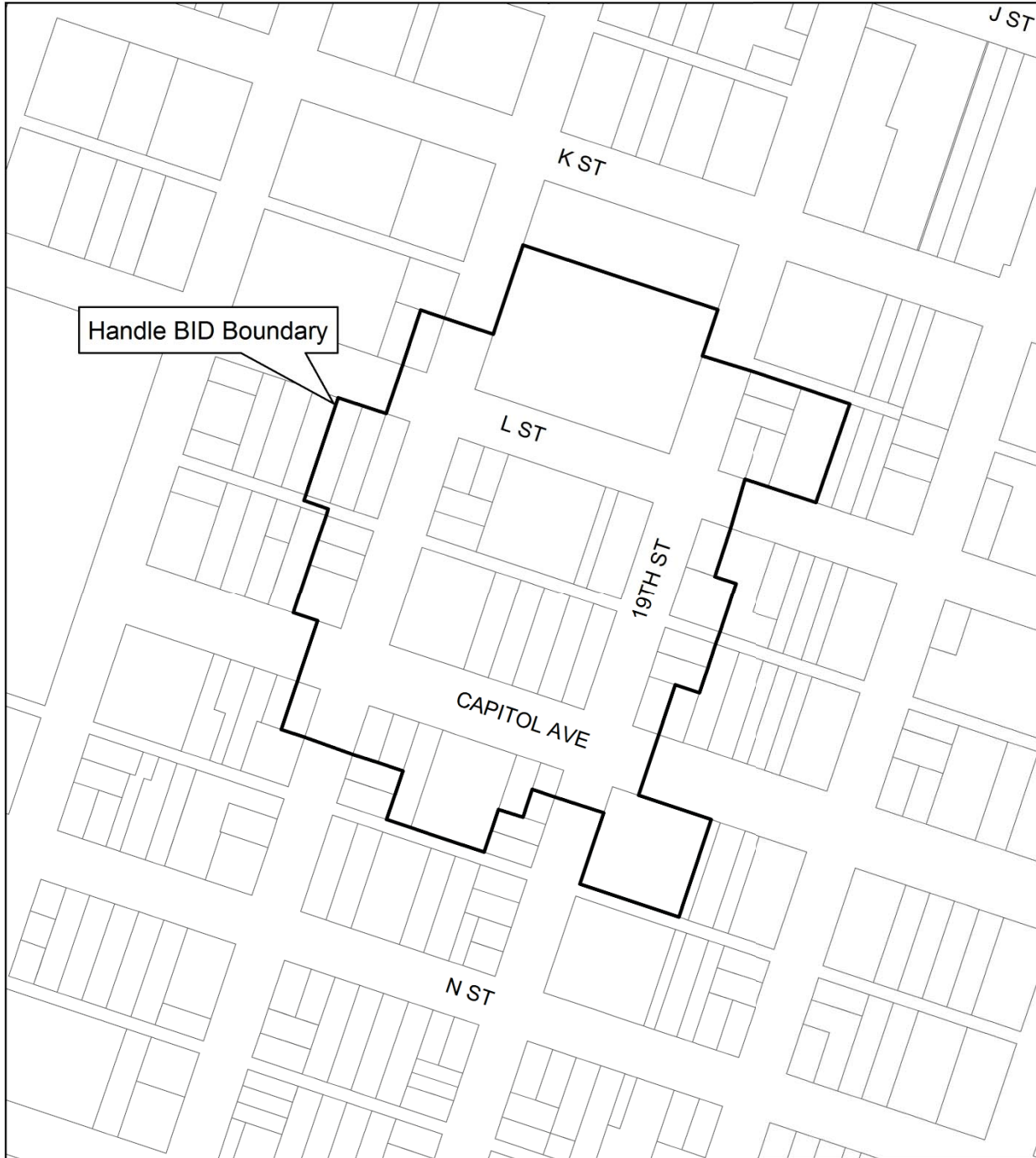


Exhibit B

**HANDLE (FUND 2241)
PROPERTY AND BUSINESS IMPROVEMENT DISTRICT
FY 2013-14 DISTRICT BUDGET & BUSINESS ASSESSMENT**

Resources

Assessment Revenues	\$ 190,000.00
Formation Cost Repayment	\$ (7,500.00)
Delinquencies	\$ (10,000.00)
Total Resources	\$ 172,500.00

Expenses

	Amount Allowed per MDP		Handle Budget
	Percent	Budget Max	
Programs - Clean and Safe	45%	\$77,625.00	
Maintenance			\$ 12,000.00
Maintenance equipment/supplies			\$ 8,600.00
Improvement Projects			\$ 32,025.00
C&S Program Admin & Contingency			\$ 25,000.00
			\$ 77,625.00
Marketing, Advertising, and Events	35%	\$60,375.00	
Events			\$ 35,000.00
Web and Social Media			\$ 5,000.00
Other Marketing and Advertising			\$ 5,000.00
MAE Admin & Contingency			\$ 15,375.00
			\$ 60,375.00
Assessment Collection & BID Renewal	10%	\$17,250.00	
Collection Contract			\$ 7,500.00
BID Renewal Contract/Contingency			\$ 9,750.00
			\$ 17,250.00
Office Admin and Operations	10%	\$17,250.00	
Staff			\$ 10,000.00
Insurance			\$ 3,200.00
Accounting/Taxes			\$ 2,000.00
General			\$ 2,050.00
			\$ 17,250.00

Total Expenses **\$ 172,500.00**

Estimated Ending Fund Balance \$0.00

Business Assessment

Annual assessment rates are as follows: food and beverage businesses shall be assessed 1.5% of gross sales, excluding alcohol sales and certain items as described in Section V of the Management District Plan (MDP), on file with the Public Improvement Financing Unit, designated by the City Clerk as the custodian of such records. Retail businesses with under \$100,000 in gross annual revenue will be assessed a flat assessment of \$25 per month. Retail businesses with \$100,000 or more in gross annual revenue will be assessed a flat assessment of \$50 per month. Business classification as "food and beverage" or "retail" shall be based on the primary business activity of each business. The business classification and the gross sales will be determined from the Business Operations Tax filings with the City of Sacramento. Certain sales shall not be included for purposes of the assessment as described in Section V of the MDP.

New businesses opening during the term of the District shall not be exempt from assessment. New businesses' assessment rates shall be determined by utilizing the most current quarterly gross sales information to extrapolate the annual assessment amount.