

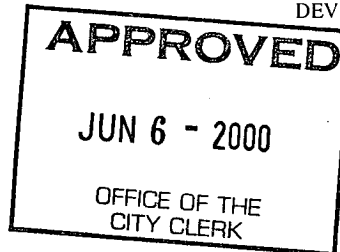


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CITY OF SACRAMENTO
CALIFORNIA

DEPARTMENT OF
PUBLIC WORKS

TECHNICAL SERVICES DIVISION



DEVELOPMENT SERVICES &
SPECIAL DISTRICTS
1231 I STREET
ROOM 300
SACRAMENTO, CA
95814-2988

916-264-7474
FAX 916-264-7480

May 22, 2000

City Council
Sacramento, California

Honorable Members in Session

SUBJECT: DOWNTOWN SACRAMENTO MANAGEMENT DISTRICT - PUBLIC HEARING

LOCATION AND COUNCIL DISTRICT

The proposed Downtown Sacramento Management District (DSMD) is located in Council District No. 1. The district is comprised of approximately 66 City blocks (please see attached map, Exhibit A).

RECOMMENDATION:

This report recommends that the City Council open the public hearing to present the Downtown Sacramento Management District, take public testimony, close the public hearing, direct Clerk's staff to count the ballots, return during staff report to present results of the election, and at that time adopt the following:

- Resolution Approving the DSMD Advisory Board;
- Resolution Overruling Protests;
- Resolution Establishing the Downtown Sacramento Management District, Approving Assessment Diagram, and Levying the Assessments; and
- Resolution Declaring the Results of the Mail Ballot Election.

CONTACT PERSON: Edward Williams, Associate Engineer, 264-5440

FOR COUNCIL MEETING OF: June 6, 2000



SUMMARY:

On April 13, 2000, Council initiated formation proceedings for the 2nd five year term of the Downtown Sacramento Management District. The purpose of this hearing is to receive public testimony and to take action on the formation of the District. As of May 22, 2000 the City Clerk has received no protests.

COMMITTEE/COMMISSION ACTION:

None.

BACKGROUND INFORMATION

District Concept: The formation of the Downtown Sacramento Management District is a cooperative effort between the Downtown Sacramento Partnership Inc. (DSPI), a California non-profit corporation, the City of Sacramento and SHRA. The purpose of the District is to provide special services to enhance and revitalize the downtown area. Each property owner pays his/her share of the cost based on the level of benefit received.

Management Plan: The Downtown Sacramento Management Plan is a comprehensive document which describes the process of forming the Management District and providing the services. A copy of the plan is on file in the Office of the City Clerk. Additional copies are available at the office of the Downtown Sacramento Partnership.

Services: In brief, the services to be provided are as follows:

- Guide Program - The program provides trained security guides who patrol the district 12 hours a day, 7 days a week. The guides act as the eyes and ears of the downtown and assist in the prevention of crime. In addition to providing enhanced security, the guides are trained to direct pedestrians to shopping and business destinations and are knowledgeable of downtown promotions and events.
- Maintenance - The maintenance services include a Clean Streets Program and City Sweep Program. The Clean Streets Program provides street custodians to maintain sidewalks and alleys by sweeping, steam cleaning and related surface maintenance control issues. The frequency of service for the sidewalks and alleys vary in each sub-district with the most frequent being twice weekly on the K Street corridor. The City Sweep Program provides mobile sweep crews for litter and graffiti removal 7 days a week. These crews augment security guides to discourage litter and graffiti.
- Revitalization - The Management District provides a unified marketing program in an effort to allow the public to view the downtown as a single destination with a rich collection of attractions, events and services. Goals of revitalization include increased customer traffic, occupancies, sales and property values.

A complete description of the proposed services is contained in the Downtown Sacramento Management Plan.

District Operation: The District is managed and administered by the Downtown Sacramento Partnership (DSPI) through an agreement with the City. An Advisory Board oversees DSPI's activities and the services provided. Each year DSPI submits a report, through the Advisory Board, which recommends a budget, assessment rates and service levels for the following year. The report is forwarded to the City Council for adoption and levy of assessments.

In accordance with the Management District Plan, the District will continue to operation for a period of five (5) years commencing January 1, 2001. At the end of this term, the district may be reformed through the property owner election process.

FINANCIAL CONSIDERATIONS

City Participation: The City of Sacramento will fully participate as a property owner in the District.

All fees associated with the formation and administration of this district will be financed by the property owners. The total budget for the first year of District operation is summarized as follows:

TABLE 1
TOTAL COSTS

Program Activities	Annual Budget
Safety/Guides Program	\$520,733
Maintenance	\$381,540
Business Support, Recruitment & Public Information	\$354,392
Administration	\$195,293
City Formation & Administration (1 st year)	\$10,000
TOTAL BUDGET 2000/2001	\$1,461,958

The Downtown Management District will receive benefit assessments based on the Property and Business Improvement District Law of 1994. The properties within the District are split into four (4) benefit zones. The assessment rates for each zone are based on the level of service to reflect benefits received. Assessment rates are based on a cost per square foot of parcel area

and cost per square foot of building area. The assessment rates by sub-district are listed in Table 2.

TABLE 2
 ASSESSMENT RATES

No.	Sub-District Name	Cost/Sq.Ft./Parcel	Cost/Sq.Ft./Bldg.
1	1. K Street	\$ 0.1191	\$ 0.0595
2	2. Civic Center	\$ 0.0970	\$ 0.0485
3	3. Old Sacramento	\$ 0.1028	\$ 0.0514
4	4. Capitol Mall / Plaza	\$ 0.0329	\$ 0.0164

Based on the above rates, the cost for a typical building on the K Street corridor with a 80' x 160' parcel (12,800 sq. ft.) and a building area of 35,000 sq. ft. would be \$3,608 per year.

The assessment formula contained in the Management District Plan provides that the annual assessment rates may be increased each year to account for inflation. The annual inflation adjustment will be based on the Bay Area Consumer Price Index (CPI) for all urban consumers, or three percent (3%), whichever is less.

ENVIRONMENTAL REVIEW

Council action, in adopting, these resolutions is solely for the purpose of forming a property and business improvement district and is itself therefore not a project for the purpose of the California Environmental Quality Act.

POLICY CONSIDERATIONS

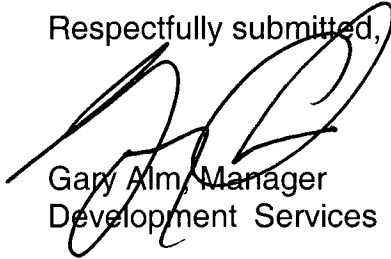
The procedures under which this district is being formed are set forth in the Property and Business Improvement District Law of 1994 and the City's enabling Ordinance No. 94-051 adopted December 13, 1994.

City Council
Downtown Sacramento Management District - Public Hearing
May 22, 2000

ESBD CONSIDERATIONS

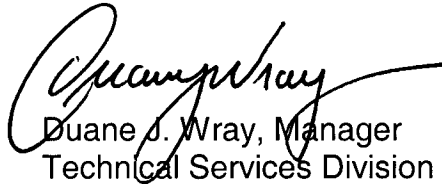
City Council adoption of the attached resolutions is not affected by City policy related to ESBD.

Respectfully submitted,



Gary Alm, Manager
Development Services and Special Districts

Approved:



Duane J. Wray, Manager
Technical Services Division

Recommendation Approved:



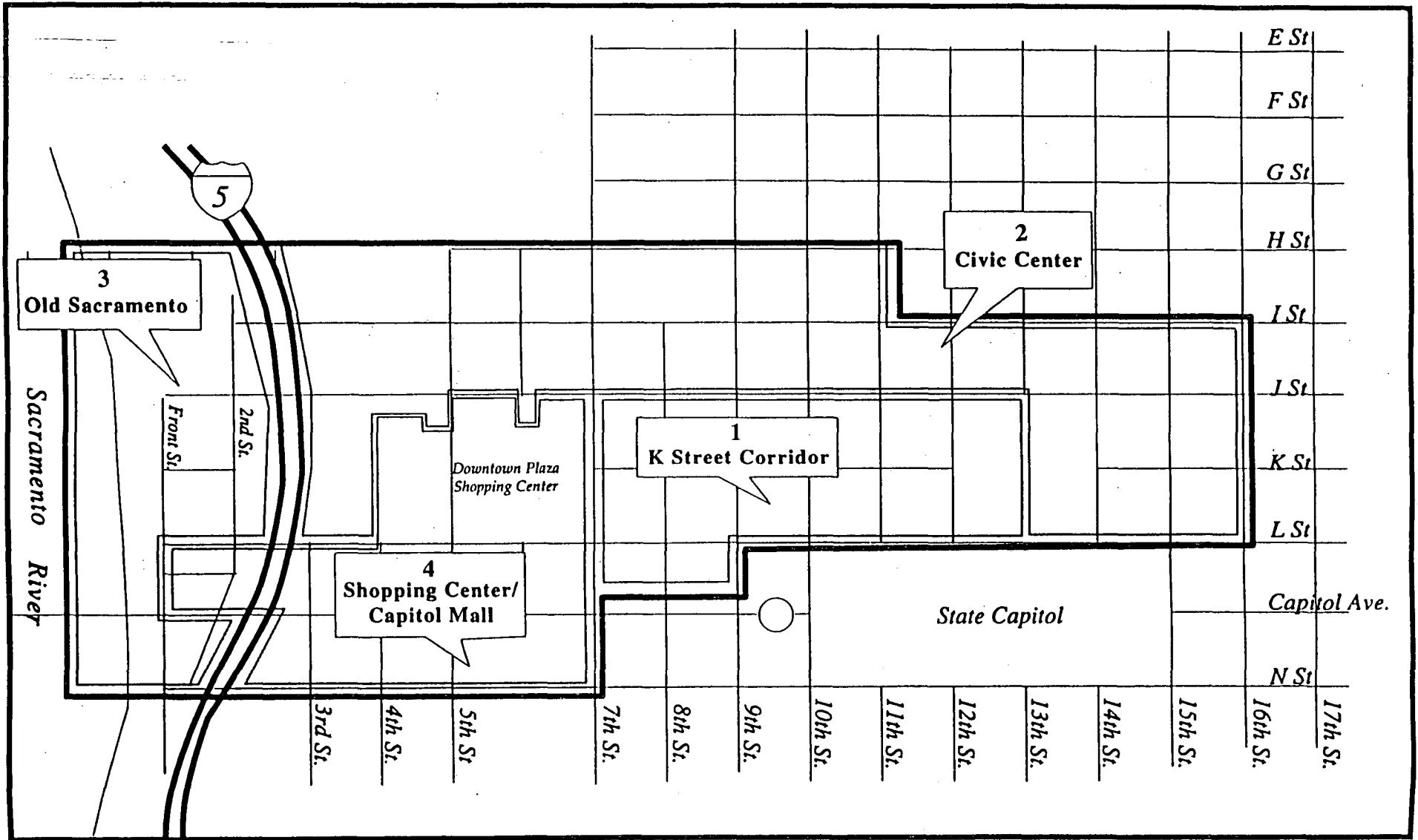
ROBERT P. THOMAS
City Manager

Approved:



Michael Kashiwagi
Director of Public Works

Downtown Sacramento Management District & Benefit Zones



**SCHEDULE
FORMATION OF THE DOWNTOWN MANAGEMENT DISTRICT**

<u>DATE</u>	<u>ACTION</u>
April 1st	Signed petitions submitted to City requesting reformation
April 13 th	File with City Clerk: Petitions Engineer's Report Boundary Map District Management Plan
April 13 th	Council Action: <ul style="list-style-type: none"> ● Adopt Resolution accepting petition and approving boundary map ● Adopt Resolution of Intention to form district and call for a mailed ballot election ● Resolution accepting Management District Plan and setting hearing date ● Resolution approving Engineer's Report ● Resolution appointing a Management District Advisory Board
April 19 th	Record boundary map Mail the ballots Mail the Notice of Hearing
June 6 th	Ballots due at close of Hearing
June 6 th	Council Action: (at least 45 days after ROI) <ul style="list-style-type: none"> ● Conduct public hearing (afternoon) and direct staff to return in evening to report back on mail ballot results ● Adopt Resolution declaring results in the special mailed-ballot election ● Adopt Resolution overruling protests ● Adopt Resolution establishing the Property and Business Improvement District, approve assessment diagram, assessment formula and levying the assessments ● Adopt Resolution approving the advisory board
June 15 th	Record Notice of Assessment & Diagram Submit Assessment Roll to Special Districts
July 15 th	Submit Assessment Roll to County Auditor/Collector
August 29 th	Council Action: <ul style="list-style-type: none"> ● Approve agreement between the City and Sacramento Downtown Management District ● Adopt Resolution Establishing the Budget



RESOLUTION NO. 2000-302

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

A RESOLUTION APPROVING THE ADVISORY BOARD FOR THE DOWNTOWN SACRAMENTO MANAGEMENT DISTRICT

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO THAT:

WHEREAS, On April 13, 2000, the City Council adopted Resolution No. 2000-145, accepting the petition for formation of the Downtown Sacramento Management District ("District"), approving the boundary map for the District, accepting the district management plan, and appointing the engineer of record for the district; and

WHEREAS, On April 13, 2000, the City Council adopted Resolution No. 2000-146, expressing its intention to form the Downtown Sacramento Management District, which resolution complied in all respects with the provisions of Streets & Highways Code Section 36621; and

WHEREAS, Notice of the hearing set for 2:00 p.m., June 6, 2000, at the City Council chambers, 915 I Street, Sacramento, California, was duly given by mail to the record owner of each parcel that is within the District, and in full compliance with the provisions of Government Code 53753; and

WHEREAS, The City Council is required, prior to formation of the District, to approve an advisory board for the District.

FOR CITY CLERK USE ONLY

RESOLUTION NO. _____

DATE ADOPTED: _____

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NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Sacramento, as follows:

Section 1. The City Council approves the appointment of the following nine (9) persons to the District advisory board:

Dave Scurfield	Jim Cordano III
Moe Mohanna	David Taylor
Marilyn Slipe	Sid Garcia-Heberger
Patricia Sillix	Andy Plescia
Roger Kittredge	

Section 2. The advisory Board shall perform all functions specified in the Property and Business Improvement District Law of 1994, as it may be amended or renumbered in the future.

MAYOR

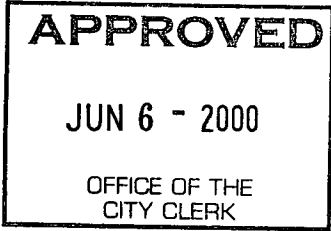
ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO. _____

DATE ADOPTED: _____



RESOLUTION NO. 2000-303

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

**A RESOLUTION OVERRULING PROTESTS
DOWNTOWN SACRAMENTO MANAGEMENT DISTRICT**

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO THAT:

WHEREAS, On April 13, 2000, the City Council adopted Resolution No. 2000-145, accepting the petition for formation of the Downtown Sacramento Management District ("District"), approving the boundary map for the District, accepting the district management plan, and appointing the engineer of record for the district; and

WHEREAS, On April 13, 2000, the City Council adopted Resolution No. 2000-146, expressing its intention to form the Downtown Sacramento Management District, which resolution complied in all respects with the provisions of Streets & Highways Code Section 36621; and

WHEREAS, Notice of the hearing set for 2:00 p.m., June 6, 2000, at the City Council chambers, 915 I Street, Sacramento, California, was duly given by mail to the record owner of each parcel that is within the District, and in full compliance with the provisions of Government Code 53753; and

WHEREAS, On June 6, 2000, at 2:00 p.m., the City Council conducted a public hearing on the question of formation of the District, considered all of the evidence and materials on file relating to these proceedings, together with oral testimony; and

WHEREAS, At or before the time set for the hearing, certain interested persons made protests or objections to the proposed services, the extent of the District, or the proposed assessment; and

WHEREAS, Protests against formation of the District, the services to be provided, or the assessments to be levied, have not been made by property owners who will pay more than fifty percent (50%) of the assessments to be levied.

FOR CITY CLERK USE ONLY

RESOLUTION NO. _____

DATE ADOPTED: _____

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Sacramento, as follows:

Section 1. The City Council overrules each of the protests, oral and/or written.

Section 2. The City Council finds that the protests (including all written protests not withdrawn before the conclusion of the hearing) is made by owners of property who will pay less than fifty percent (50%) of the total of the assessments proposed.

MAYOR

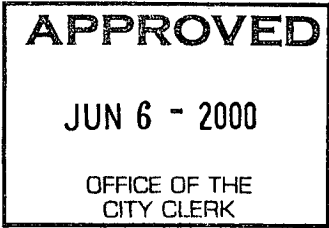
ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO. _____

DATE ADOPTED: _____



RESOLUTION NO. 2000-301
ADOPTED BY THE SACRAMENTO CITY COUNCIL
ON DATE OF _____

**A RESOLUTION ESTABLISHING THE DOWNTOWN SACRAMENTO
MANAGEMENT DISTRICT, APPROVING THE ASSESSMENT DIAGRAM
AND THE ASSESSMENT FORMULA AND LEVYING THE ASSESSMENT**

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO THAT:

WHEREAS, On April 13, 2000, the City Council adopted Resolution No. 2000-145, accepting the petition for formation of the Downtown Sacramento Management District ("District"), approving the boundary map for the District, accepting the district management plan, and appointing the engineer of record for the district; and

WHEREAS, On April 13, 2000, the City Council adopted Resolution No. 2000-146, expressing its intention to form the Downtown Sacramento Management District, which resolution complied in all respects with the provisions of Streets & Highways Code Section 36621; and

WHEREAS, Notice of the hearing set for 2:00 p.m., June 6, 2000, at the City Council chambers, 915 I Street, Sacramento, California, was duly given by mail to the record owner of each parcel that is within the District, and in full compliance with the provisions of Government Code 53753; and

WHEREAS, On June 6, 2000, at 2:00 p.m., the City Council conducted a public hearing on the question of formation of the District, considered all of the evidence and materials on file relating to these proceedings, together with oral testimony; and

WHEREAS, Protests against formation of the District, the services to be provided, or the assessments to be levied, have not been made by property owners who will pay more than fifty percent (50%) of the assessments to be levied. By separate resolution, the City Council has made its determinations with respect to protests; and

WHEREAS, It is appropriate at this time to form the District and the levy the assessments to provide funding for the services to be provided.

FOR CITY CLERK USE ONLY

RESOLUTION NO. _____

DATE ADOPTED: _____

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Sacramento, as follows:

Section 1. The recitals set forth above are true and accurate, and the City Council adopts the recitals as findings of fact for purposes of these proceedings.

Section 2. The services and improvements to be provided, and the boundary of the District, are as specified in the Management Plan for the District, which is attached hereto as Exhibit A, and incorporated herein by this reference.

Section 3. The amount of the assessments to be levied is as specified in the assessment roll, attached hereto as Exhibit B, and incorporated herein by this reference.

Section 4. The Downtown Sacramento Management District is formed and established.

Section 5. All of the properties within the District formed and established hereby, are subject to any amendments to the Property and Business Improvement District Law of 1994, as amended, Streets and Highways Code Sections 36600, et seq.

Section 6. The improvement and activities to be provided in the District will be funded by the levy of the assessments. The revenue from the levy of assessments within the District shall not be used to provide improvements or activities outside of the District or for any purpose other than the purposes specified in the Resolution of intention concerning establishment of the District.

Section 7. All of the properties within the District will be specially benefitted by the improvements and activities funded by the assessments levied, within the meaning of California Constitution, Article XIII D and implementing legislation.

Section 8. The assessment formula and the assessment diagram are hereby approved, and the assessments are levied.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO. _____

DATE ADOPTED: _____



RESOLUTION NO. *2000-305*

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

A RESOLUTION DECLARING THE RESULTS OF THE MAILED BALLOT ELECTION IN THE DOWNTOWN SACRAMENTO MANAGEMENT DISTRICT

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO THAT:

WHEREAS, On April 13, 2000, the City Council adopted Resolution No. 2000-145, accepting the petition for formation of the Downtown Sacramento Management District ("District"), approving the boundary map for the District, accepting the district management plan, and appointing the engineer of record for the district; and

WHEREAS, On April 13, 2000, the City Council adopted Resolution No. 2000-146, expressing its intention to form the Downtown Sacramento Management District, which resolution complied in all respects with the provisions of Streets & Highways Code Section 36621; and

WHEREAS, Notice of the hearing set for 2:00 p.m., June 6, 2000, at the City Council chambers, 915 I Street, Sacramento, California, was duly given by mail to the record owner of each parcel that is within the District, and in full compliance with the provisions of Government Code 53753; and

WHEREAS, On June 6, 2000, at 2:00 p.m., the City Council conducted a public hearing on the question of formation of the District, considered all of the evidence and materials on file relating to these proceedings, together with oral testimony; and

WHEREAS, Protests against formation of the District, the services to be provided, or the assessments to be levied, have not been made by property owners who will pay more than fifty percent (50%) of the assessments to be levied. By separate resolution, the City Council has made its determinations with respect to protests; and

FOR CITY CLERK USE ONLY

RESOLUTION NO. _____

DATE ADOPTED: _____

WHEREAS, The hearing was closed, and the City Clerk was directed to tally the ballots.

NOW, THEREFORE, **BE IT RESOLVED** by the City Council of the City of Sacramento, as follows:

Section 1. The ballots were duly tabulated with the following results:

Votes for: _____

Votes against: _____

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO. _____

DATE ADOPTED: _____

City of Sacramento

Downtown Sacramento Management District
No. 00-02

Ballot of 6/6/00

Total Votes 96 Ballots 1,073,024 Votes

Total "Yes" Votes 79 Ballots 973,482 Votes

Percentage "Yes" Votes 90.7%

Total "No" Votes 17 Ballots 99,542 Votes

Percentage "No" Votes 9.3%

Ballots Counted By:

Lon Williams

James G. Horton

Kathleen Quinn

Joseph Paul Etouli

Rita Roskams

City of Sacramento
 Downtown Sacramento Management District, No. 00-02
 Ballot of 6/6/00

Yes		No	
454	Aut Yee 997.1	105	Cary Fong 1
489, 496	Arthur Sporseller 17,251	479	Robert byette 1
362	Patricia Sully 13,736.1	210-211	Arjay LLC 1
411 (+total 9)	David Taylor 67,992.1	111	Dag Ho Met 1
460	Lee Chin 3,585.1	208	Donald Pierce 1
481, 203	Steve O'Brien 3,365.1	33	Jonson Broadcasting 1
391	Vertex Intl. Serv. ^{Barnard} 11,997.1	266, 278	Governors Court 1
288	Bob Wells 1,242.1	144 (+total 6)	Mary Ricci 1
501, 502	Union Bank of CA 4,685.1	369, 409, 428	Jared Siddiqui 1
503	Lasalle Investmt Mgt 19,900.1	450, 452	Kat Whitman 1
307, 308	Louis Desmond 3,478.1	396	Samuel Fong 1
356	Artlyn Fong 14,533.1	124	Sarah Madwell 1
202	Carlo Michelotti 3,717.1	49	David Pasler 1
136	Sanwa Bank CA 4,818.1	464, 156	Nelly Patena 1
34	Str Ltd Paddle Inc. 381.1	229	Anatol Jordan Hee 1
508	Marion Shoultas Mgt. 2,954.1	227, 228	Brian Johnson 1
429	Richard Oppenheimer 8,843.1	413	David Richter 1
218	Amer. Lang Assoc. 2,213.1		
371, 176	Hury Zalkovsky 34,903.1		
113	Lawrence & Wong 2,938.1		
393 (+total 8)	Dean Ingemanson 11,017.1		
504	Bessie Albert 3,949.1		
160	Sa Co. Emp Credit Union 3,407.1		
100 (+total 4)	Union Pacific 13,433.1		
256	SCERS 3,772.1		
458	Lester Daniels 4,414.1		
	Total 26		Total 17

3

City of Sacramento
Downtown Sacramento Management District, No. 00-02
Ballot of 6/6/00

Yes	No
432,149 Herbert K. Yea 1380	
200,201 Theo. Stidum 776	
215 CA Medical Assoc Proprietors 3,104	
499a, b, 498 Capital Registry LLC 255,834 595	
(61) City of Sacramento 255,834	
47 James Rendlett 328	
153 Sacramento Chamber of Commerce 998	
143 William Parker 1,242	
222 State Public Works Board 28,828	
445 925 L Street Inc. 11,957	
(11) M.H. Mohanna 13,486	
370 Longshore, Richard W, TR. 576	
404 Broadway Investment Co 6,393	
438 Matsosevich, Milan 898	
361 400 Capitol Mall Venture 19,734	
469 Hughes Gordon Bryce & Thoms 3,049	
480, 485 Betty Grace Hart 4,071	
17 Richard Gosce 1,130	
209 Wayne & Cheryl Samargich 1,552	
279 George K. Barry Wurster 3,142	
380 Roy Van Viet Trusts 473	
251d Felo McMurchie Foley Brudenburger W.E. 946	
41 Newton A. Cope 2,018	
486 Campos, Chudobal & June 803	
48 Harweg's Real Estate 2452	
Total 25	Total

