



REPORT TO COUNCIL

City of Sacramento

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www.CityofSacramento.org

PUBLIC HEARING
July 24, 2007

**Honorable Mayor and
Members of the City Council**

**Title: North Franklin (formerly Franklin Boulevard) Property and Business
Improvement District #2007-05 (PBID)**

Location/Council District: The North Franklin PBID, formerly known as the Franklin Boulevard PBID, is located in Council District 5 within the North Franklin Boulevard Commercial Corridor (Exhibit A, Page 9).

Recommendation: Conduct a public hearing and upon conclusion adopt 1) a **Resolution** renaming the Franklin Boulevard PBID as the North Franklin PBID; 2) a **Resolution** declaring the results of the majority-protest proceedings and renewing the North Franklin PBID; and 3) a **Resolution** amending the Fiscal Year (FY) 2007/2008 budget for the North Franklin PBID.

Contact: Salina Cheung, Program Specialist, (916) 808-5236; Mark Griffin, Fiscal Manager, (916) 808-8788

Presenters: Salina Cheung

Department: Planning Department

Division: Public Improvement Financing

Organization No: 4915

Description/Analysis

Issue: The property owners along the North Franklin Commercial Corridor in South Sacramento proposed to renew the North Franklin Property and Business Improvement District (PBID) for a five-year term. Approval of the renewal of the PBID 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 proceedings under which this district is being processed set forth in Section 36600 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 California Environmental Quality Act (CEQA) Guidelines, administration and annual maintenance of a PBID do not constitute a project and are therefore exempt from review.

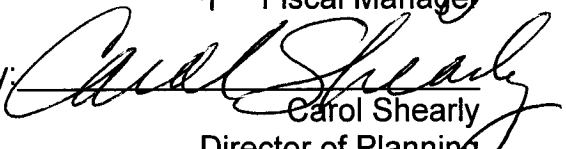
Committee/Commission: None

Rationale for Recommendation: The actions in the recommended Resolutions are required by the California Streets and Highways Codes, which is codified as part 7 (beginning with section 36600) of division 18.

Financial Considerations: Financing will be provided by the levy of assessments upon real property that benefits from improvements and activities. The PBID does not plan to issue bonds. The total assessment for FY 2007/08 is projected at \$105,000 as shown on Exhibit B, page 12. If this PBID is renewed, the City of Sacramento will be participating as a property owner in the district. City owns the Joseph E. Rooney Police Facility (APN 022-0221-036-0000) within the PBID and it will have a total annual assessment of approximately \$3,805. City funds will come from a non-departmental organization.

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: 
for Mark Griffin
Fiscal Manager

Respectfully Submitted by: 
Carol Shearly
Director of Planning

Recommendation Approved:

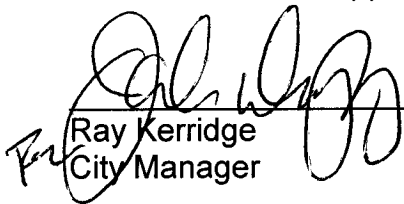

Ray Kerridge
City Manager

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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 North Franklin PBID became effective on January 1, 2005, and will expire on December 31, 2007. The property owners within the District would like to renew the District for a five-year term.

A portion of the property proposed to be assessed lies within the unincorporated portion of the County of Sacramento (Exhibit A, page 9). On June 12, 2007, the County of Sacramento's Board of Supervisors granted the City consent to authorize the renewal of the North Franklin PBID and the assessment of property within the boundary.

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. The attached resolutions will rename the PBID, declare the results of the majority-protest proceedings and renew the North Franklin PBID, and set the annual budget.

Attachment 2

RESOLUTION NO.

Adopted by the Sacramento City Council

RENAMING THE FRANKLIN BOULEVARD PROPERTY AND BUSINESS IMPROVEMENT DISTRICT (PBID) AS THE NORTH FRANKLIN PBID

BACKGROUND:

- A. By Resolution No. 2004-676, the City Council formed the Franklin Boulevard Property and Business Improvement District (“District”) under the Property and Business Law of 1994 (California Streets and Highway Code–Sections 36600 to 36671). The chief purpose of the district is to provide funding for Security Coordination and Advocacy, Maintenance and Image Enhancement Programs in the district.
- B. Franklin Boulevard Business Association has asked the City Council to change the district name to the North Franklin District in order to separate the district from all of Franklin Boulevard. Hence, the district should be renamed as the North Franklin Property and Business Improvement District.
- C. 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 C are true and correct.

Section 2. The City Council renames the Franklin Boulevard Property and Business Improvement District as the North Franklin Property and Business Improvement District.

Attachment 3

RESOLUTION NO.

Adopted by the Sacramento City Council

**DECLARING THE RESULTS OF THE MAJORITY-PROTEST PROCEEDINGS
AND RENEWING THE NORTH FRANKLIN PROPERTY AND BUSINESS
IMPROVEMENT DISTRICT**

BACKGROUND:

A. The owners of property within the boundaries of the North Franklin Property and Business Improvement District (PBID), formerly known as the Franklin Boulevard PBID, have submitted petitions asking that the City Council renew the PBID. Included with the petitions was a management district plan (The North Franklin PBID Management District Plan) that describes the proposed assessment to be levied on property within the PBID to pay for the following activities and improvements: (1) a security coordination effort program to support police and property owner crime prevention efforts; (2) a maintenance program to increase the frequency of litter and debris removal, pressure washing of sidewalks, and graffiti removal; (3) image enhancement and advocacy to promote business interests and allow the business community to speak with one voice. The North Franklin PBID Management District Plan is on file with the City Clerk and made reference to. Attached, as Exhibit A, is a map of the exterior boundaries of the PBID and is part of this resolution.

B. The property owners who signed the petitions to support the district will collectively pay more than 50% of the proposed total assessment. Accordingly, on June 5, 2007, the City Council adopted Resolution No. 2007-357, entitled “Resolution of Intention to Renew the Franklin Boulevard Property and Business Improvement District” (the Resolution of Intention). Among other things, the Resolution of Intention states that a public hearing on the establishment of the PBID and the proposed assessment will be held on July 24, 2007, at 2:00 p.m. in the City Council’s chambers, New City Hall, 915 “I” Street (first floor), Sacramento, California. The Resolution of Intention also states the City Council’s finding that the North Franklin PBID Management District Plan satisfies all requirements of Streets and Highways Code section 36622.

C. A portion of the property proposed to be assessed lies within the unincorporated portion of the County of Sacramento. The consent of the County of Sacramento, through its Board of Supervisors, is granted to the City on June 12, 2007 to authorize the renewal of the North Franklin Property and Business Improvement District and the assessment of property within the boundary of the proposed district.

D. The properties within the exterior boundaries of the PBID will be benefited by the activities and improvements to be funded by the proposed assessment.

E. On June 6, 2007, the City Clerk mailed to each record owner of each parcel within the Districts exterior boundaries a notice concerning the public hearing on the establishment of the PBID and the proposed assessment. Each notice included the statutorily required information about the assessment and the majority-protest procedure, as well as an assessment ballot.

F. At 2:00 p.m. on July 24, 2007, in the City Council's chambers, New City Hall, 915 "I" Street (first floor), Sacramento, California, the City Council held a public hearing regarding the renewal of the North Franklin PBID and the levy of the assessment. During the public hearing, the City Council heard and received all objections and protests to the renewal of the PBID and the proposed assessment. At the conclusion of the hearing, and in accordance with Government Code section 53753, the City Clerk tabulated the assessment ballots submitted and not withdrawn. The City Clerk determined that the number of assessment ballots submitted and not withdrawn in opposition to the proposed assessment did not exceed the number of ballots submitted and not withdrawn in favor of the proposed assessment, with ballots weighted according to the amount of the assessment to be imposed upon the parcel for which each ballot was submitted. Therefore, a majority protest against the proposed assessment does not exist.

G. All actions and proceedings described in Recitals A through F were undertaken and completed in accordance with the Property and Business Improvement District Law of 1994.

BASED ON THE FOREGOING RECITALS, THE CITY COUNCIL OF THE CITY OF SACRAMENTO RESOLVES AS FOLLOWS:

Section 1. The City Council finds that Recitals A through G are true and adopts them as findings.

Section 2. Renewal of the North Franklin Property and Business Improvement District.

- (a) The PBID is renewed for a five-year term that will expire on December 31, 2012.
- (b) The activities and improvements to be provided for the PBID will be funded by the levy of an assessment on real property within the PBID, as described in the North Franklin PBID Management Plan, which is on file with the City Clerk.
- (c) Properties within the PBID will be subject to any amendments to the Property and Business Improvement District Law of 1994.
- (d) The revenue from the levy of the proposed assessment on property within the PBID may not be used to provide activities or improvements outside the PBID or for any purposes other than those specified in the Resolution of Intention.
- (e) In accordance with Streets and Highways Code section 36631 and the PBID Management Plan, the assessment to fund the activities and improvements for the

PBID will be collected at the same time and in the same manner as are ad valorem property taxes and will have the same lien priority and penalties for delinquent payment.

Section 3. Bonds will not be issued.

Section 4. The exterior boundaries of the PBID are depicted on the map attached as Exhibit A.

Section 5. The City Manager (or his designee) is directed to take all necessary actions to complete the renewal of the PBID and to levy the assessment. The City Clerk is directed to record, in the Sacramento County Recorder's office, a notice and assessment diagram as required by Streets and Highways Code section 36627. The City Clerk is further directed to certify the passage and adoption of this resolution and to enter it in the book of original resolutions.

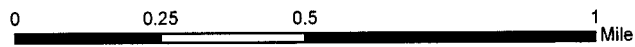
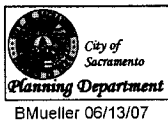
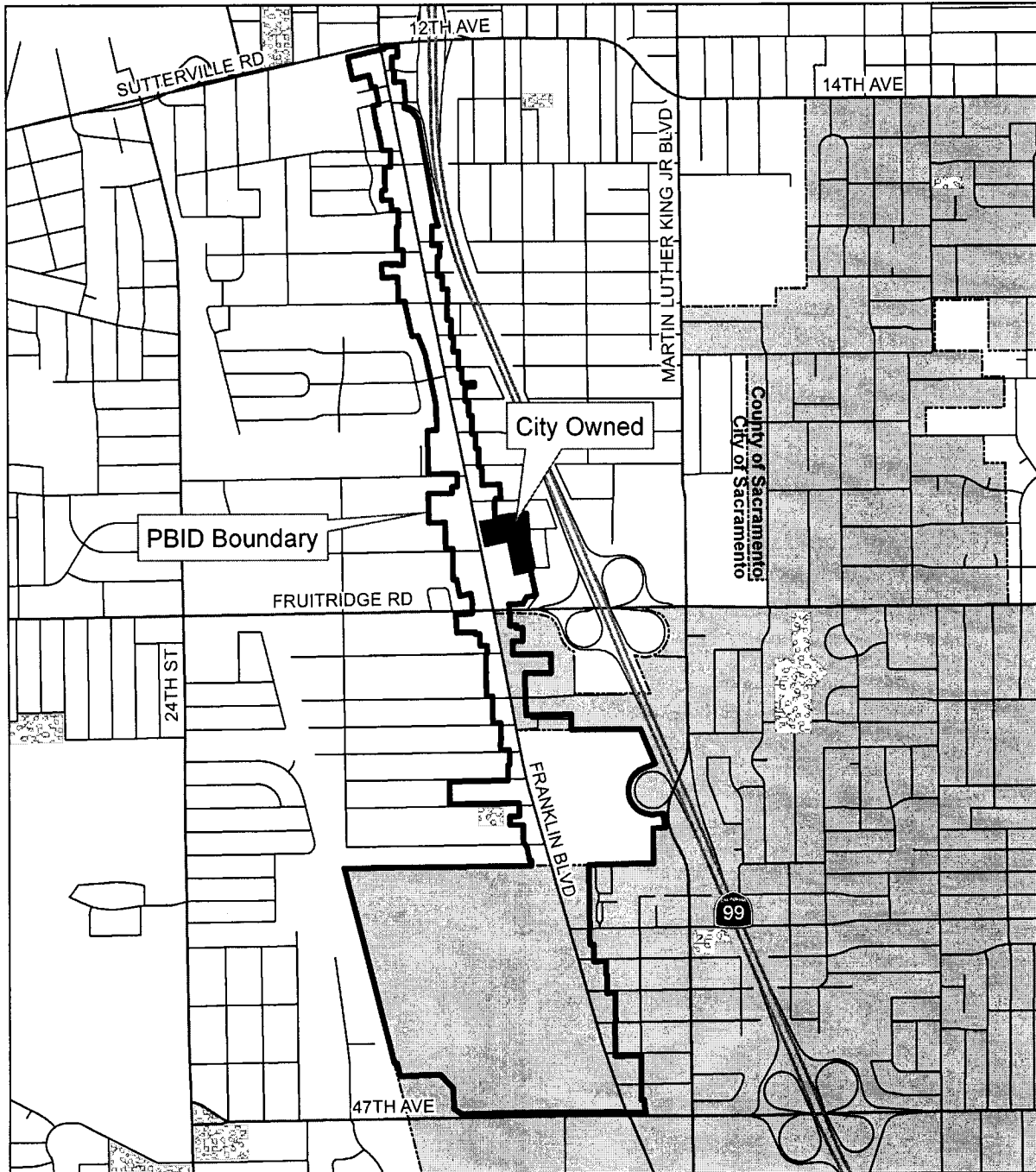
Section 6. Exhibit A is part of this resolution.

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Exhibit A: North Franklin PBID Boundary Map -1 Page

EXHIBIT A

North Franklin Property and Business Improvement District



Attachment 4

RESOLUTION NO.

Adopted by the Sacramento City Council

**AMENDING THE CITY'S FISCAL YEAR 2007/08 BUDGET FOR
THE NORTH FRANKLIN PROPERTY AND BUSINESS IMPROVEMENT
DISTRICT, FUND 247**

BACKGROUND:

- A. The North Franklin (formerly Franklin Boulevard) Property and Business Improvement District ("District"), as 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 renewed the District under the Property and Business Law of 1994 (California Streets and Highway Code—Sections 36600 to 36671) 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 of 1994.
- C. 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 C are true and correct.

Section 2. The FY2007/2008 revenue budget of \$105,000 (\$106,346 - \$1,346 surplus) and expenditure budget of \$106,346 are amended for the District as set forth in Exhibit B.

Section 3. The Finance Director is authorized to expend a portion of the budgeted funds in the amount of \$8,846 for the Departments of Planning and Finance to provide services for the District, as set forth in Exhibit B, which will be reimbursed by the District.

Section 4. Exhibits A and B are part of this resolution.

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Exhibit A: District Map – 1 Page

Exhibit B: FY2007/08 District Budget & Parcel Assessment – 1 Page

Exhibit A

North Franklin Property and Business Improvement District

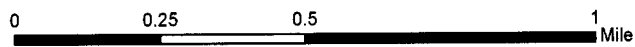
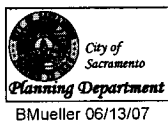
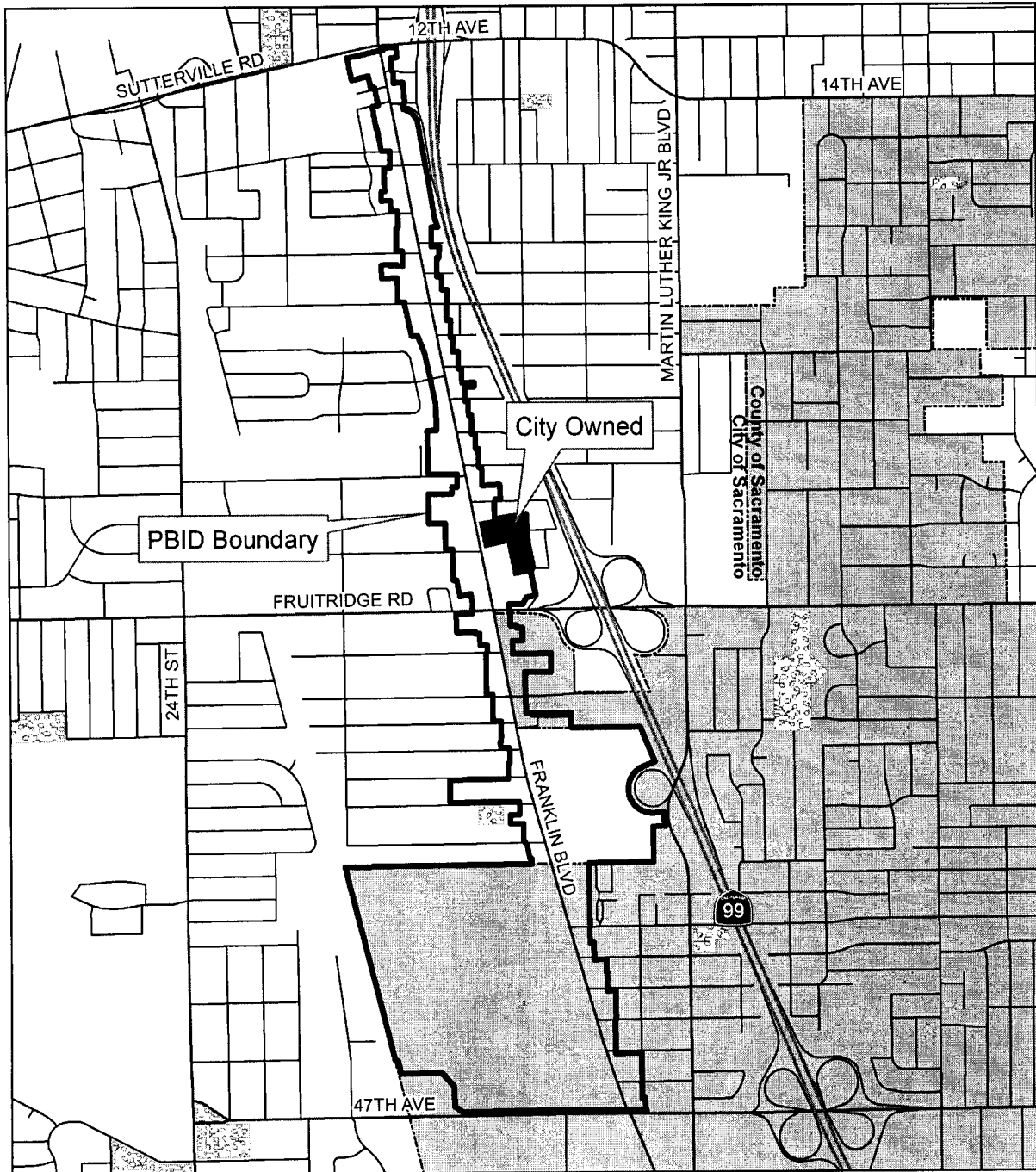


EXHIBIT B

**NORTH FRANKLIN PROPERTY AND BUSINESS IMPROVEMENT DISTRICT
FY 2007/08 DISTRICT BUDGET & PARCEL ASSESSMENT**

North Franklin PBID	\$97,500
Special Districts Administration	7,500
Consultant (Muni) Reporting	426
Finance Administration	761
County Billing Cost	<u>159</u>
Subtotal	\$106,346
Less: Surplus	<u>(1,346)</u>
Total Assessed to Property Owners	\$105,000

Parcel Assessment

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	

Annual assessment rates are based on an allocation of program costs and a calculation of parcel square footage plus parcel street 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.