



DEVELOPMENT SERVICES  
DEPARTMENT

CITY OF SACRAMENTO  
CALIFORNIA

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DEVELOPMENT ENGINEERING  
AND FINANCE

March 8, 2005

City Council  
Sacramento, California

Honorable Members in Session:

**SUBJECT: DOWNTOWN SACRAMENTO PROPERTY AND BUSINESS IMPROVEMENT DISTRICT – INITIATE PROCEEDINGS**

**LOCATION AND COUNCIL DISTRICT:**

The Downtown Sacramento Property and Business Improvement District (PBID) is located in Council District 1 and 3. The district is comprised of approximately 66 City blocks and includes 452 individual parcels of land (see Attachment "A").

**RECOMMENDATION:**

This report recommends that City Council adopt the attached resolution:

- Resolution of Intention to Renew the Downtown Sacramento Property and Business Improvement District

**CONTACT PERSONS:** Sini Makasini, Administrative Analyst, 808-7967  
Ron Wicky, Program Specialist, 808-5628

**FOR COUNCIL MEETING OF:** April 26, 2005

**SUMMARY:**

This report will initiate renewal of the assessment district to be known as the Downtown Sacramento Property and Business Improvement District #2005-02. Adoption of the attached resolutions will set the time and place for the public hearing and authorize staff to mail notices to all property owners within the PBID. The public hearing is scheduled for the afternoon Council session of June 14, 2005.



**COMMITTEE/COMMISSION ACTION:**

None.

**BACKGROUND INFORMATION:**

**PBID Concept:** The Downtown Sacramento PBID was approved by City Council on June 13, 1995, for an initial five (5) year term and again on June 6, 2000, in accordance with the Property and Business Improvement District Area Law of 1994. The district provides funding for the following services in a 66-City block area of downtown and Old Sacramento. This report proposes to renew the district for a 10-year period.

**Management Plan:** The Downtown Sacramento Management District Plan (“Annual Report”) is a comprehensive document, which describes the process of forming the PBID and providing the services. A copy of the Management Plan has been filed with the City Clerk’s Office. Additional copies are available upon request via the Downtown Sacramento Partnership Office at 900 J Street Sacramento, CA 95814.

**Services:** A complete list of services to be provided is included in the Management Plan, however a brief overview follows:

- **Guide Program** - The program will provide for trained security guides who will patrol the district 12 hours a day, 7 days a week. The guides will act as the eyes and ears of downtown and will assist in the prevention of crime. In addition to providing enhanced security, the guides will be trained to direct pedestrians to shopping and business destinations and will be knowledgeable of downtown promotions and events.
- **Maintenance** - The maintenance services include a Clean Streets Program and City Sweep Program. The Clean Streets Program will provide 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 will vary in each sub-district with the most frequent being twice weekly on the K Street corridor. The City Sweep Program will provide mobile sweep crews for litter and graffiti removal 7 days a week. These crews will augment security guides to discourage litter and graffiti.
- **Business Support** - The Management District will provide 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.

The properties within the district are categorized in four sub-districts (benefit zones). The assessment rates for each sub-district are based on the levels of service and benefit received. Assessment rates are determined as a cost per square foot of parcel area and cost per square foot of building area.

The Downtown Sacramento Partnership has prepared the Management Plan/Annual report, which is on file with the City Clerk. The report addresses the current and proposed budget and services to be provided under the proposed budget.

**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.

City Participation: The City of Sacramento is fully participating as a property owner in the District. All costs associated with the services and administration of this district will be financed by the property-owners. Each program activity has a 14% administrative budget built in, for a total of approximately \$260,587.00 in administrative and City cost. The total budget for the first year of this 10-year renewal is summarized as follows:

TABLE 1  
 TOTAL COSTS

Program Activities	Annual Budget
Safety/Guides Program	\$771,846
Maintenance	\$527,260
Economic Development & Marketing	\$537,234
Old Sacramento Additional Activities	\$25,000
<b>TOTAL BUDGET 2005/2006</b>	<b>\$1,861,340</b>

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

Zone	Sub-District Name	Cost/Sq.Ft./Parcel	Cost/Sq.Ft./Bldg.
A	1. K Street	\$0.1379	\$0.0690
B	2. Civic Center	\$0.1154	\$0.0577
C	3. Old Sacramento	\$0.1422	\$0.0711
D	4. Capitol Mall / Plaza	\$0.0429	\$0.0214

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 \$4,180.12 per year.

Annual assessments may increase by as much as 5% per year to keep pace with the consumer price index and other program costs. The determination of annual assessment rates will be subject to the review and approval of the Downtown Sacramento Partnership Board of Directors.

**ENVIRONMENTAL CONSIDERATIONS:**

Under the California Environmental Quality Act (CEQA) guidelines, renewal of a Special District does not constitute a project and is therefore exempt from review.

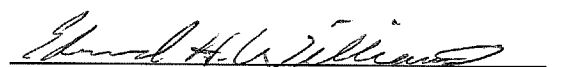
**POLICY CONSIDERATIONS:**

These proceedings for this district are being processed as 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 to promote and support economic vitality.


**ESBD CONSIDERATIONS:**

City Council approval of these proceedings is not affected by City policy related to the ESBD program.

Respectfully submitted,

  
Edward Williams, Manager  
Development Engineering and Finance

**RECOMMENDATION APPROVED:**

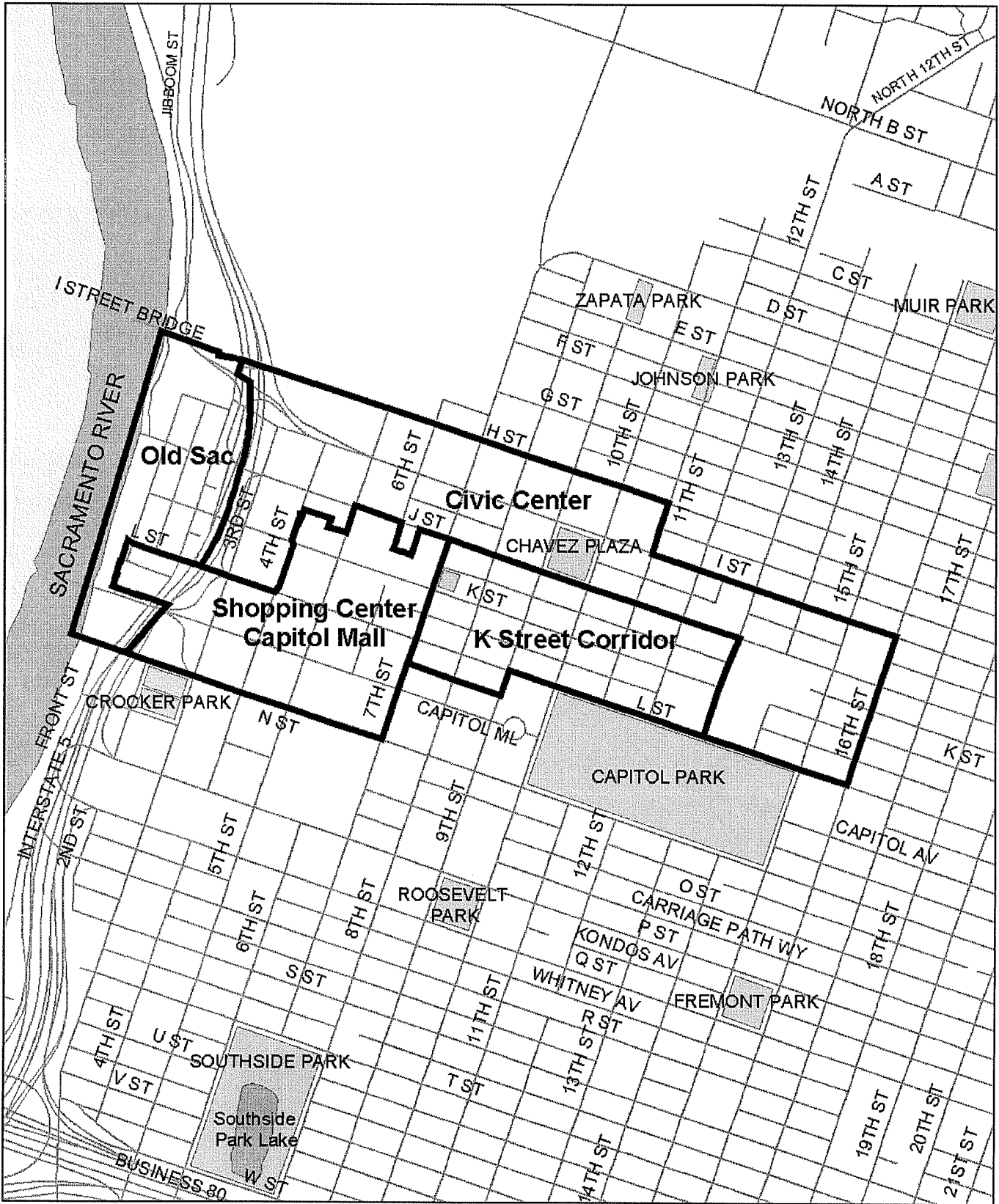
  
ROBERT P. THOMAS, City Manager

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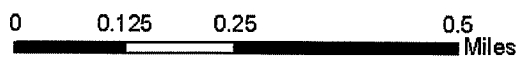
1. Attachment A, Map of Downtown Sacramento PBID, pg. 5
2. Attachment B, Schedule of Proceedings, pg. 6
3. Resolution, Renewing the Downtown Sacramento PBID, pg. 7
4. Exhibit A, Boundary Map of the Downtown Sacramento PBID, pg. 9

SM/JV

# Downtown Sacramento Property and Business Improvement District 2005-02



B Mueller 5/6/03



## ATTACHMENT B

### SCHEDULE OF PROCEEDINGS DOWNTOWN SACRAMENTO MANAGEMENT PROPERTY AND BUSINESS IMPROVEMENT DISTRICT

March 3, 2005      Petition drive kick-off

March 26, 2005    Received Signed Petitions

April 26, 2005	Council Adopts: <ul style="list-style-type: none"><li>▪ Resolution Accepting Petition and Approving the Boundary Map</li><li>▪ Resolution of Intention</li></ul>
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April 27, 2005    Record Boundary Map

April 27, 2005    Mail, Publish Notice of Hearing, Management Plan, and Ballot

June 14, 2005    Public Hearing – City Council

#### COUNCIL CONSIDERS ALL PROTESTS, LEVIES ANNUAL ASSESSMENT

August 2005      Transfer assessments to County Auditor/Controller

November 2005    Property Owners receive tax bills

January 2006     District services commence

# RESOLUTION NO. 2005-\_\_\_\_\_

ADOPTED BY THE SACRAMENTO CITY COUNCIL  
ON \_\_\_\_\_

## RESOLUTION OF INTENTION TO RENEW THE DOWNTOWN SACRAMENTO PROPERTY AND BUSINESS IMPROVEMENT DISTRICT

### RECITALS:

**A.** The Downtown Sacramento Property and Business Improvement District (PBID) was formed in 1995 under the Property and Business Improvement District Law of 1994, which is set forth at sections 36600 through 36671 of the Streets and Highways Code. The PBID's term expires on December 31, 2005.

**B.** The owners of property within the PBID have submitted petitions asking that the City Council renew the PBID when its term expires. Included with each petition was a management district plan and a map showing the boundaries of the PBID. The map is entitled "Boundary Map Downtown Sacramento Property and Business Improvement District (PBID) No. 2005-02. The petitions, the boundary map, and the management district plan are on file with the City Clerk.

**C.** The management district plan provides for the following improvements and services within the PBID, all of which are intended to make the PBID safer and cleaner, while providing a reliable environment by attracting new jobs, businesses, housing and investment in Downtown Sacramento: (1) safety programs and the deployment of Community Service Guides to reduce nuisance crimes and make the Downtown environment more hospitable; (2) maintenance programs to continue enhanced sidewalk sweeping, sidewalk washing, alley cleaning, litter and graffiti removal; (3) economic development, advocacy, and marketing programs to support existing businesses, attract new businesses, and enhance the image of downtown; and (4) Old Sacramento improvements & activities for additional safety, economic development and marketing to benefit the Old Sacramento sub-district (paid for exclusively by the Old Sacramento sub-district). The plan proposes to fund these improvements and services through the levy of a special benefit assessment on real property within the PBID.

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

**Section 1.** The City Council finds and determines that the recitals set forth above are true.

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FOR CITY CLERK USE ONLY

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RESOLUTION NO.: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_

**Section 2.** The City Council finds that the property owners who will pay more than 50% of the assessment proposed in the management district plan have signed the petitions. The City Council thus accepts the petitions and intends to renew the PBID and to levy an assessment on real property within the PBID's boundaries in accordance with the Property and Business Improvement District Law of 1994 and Sacramento City Code section 3.92.050. In the first year of the 10-year renewal term, the proposed assessment is approximately \$1,861,340.

**Section 3.** The City Council finds that the management district plan satisfies all requirements of Streets and Highway Code sections 36622 and 36660.

**Section 4.** The exterior boundaries of the PBID are shown on the "Boundary Map Downtown Sacramento Property and Business Improvement District (PBID) No. 2005-02 attached to this resolution as Exhibit A.

**Section 5.** No bonds will be issued for the PBID.

**Section 6.** The time and place for the public hearing on the renewal of the PBID and the proposed assessment is set for June 14, 2005, at 2:00 p.m. in the City Council's chambers, Interim Sacramento City Hall, 730 "I" Street (first floor), Sacramento, California. The City Council may continue the public hearing from time to time.

**Section 7.** The City Clerk is directed to give notice of the time and place of the public hearing in accordance with Streets and Highways Code section. The City Clerk is to do this by mailing (or causing to be mailed) written notices and assessment ballots in the time, form, and manner provided by Government Code section 53753 to all persons who own real property that is within the PBID and will be subject to the proposed assessment. The forms of the notices and ballots must be approved by the City Attorney. The City Clerk is further directed to file an affidavit with the City Council when all notices and ballots have been mailed, setting forth the time and manner of her compliance with the requirements of law for mailing the notices and ballots.

**Section 8.** At the public hearing, the City Council will consider all objections or protests to the proposed assessment, and any interested person will be permitted to present written or oral testimony. At the conclusion of the public hearing, all ballots submitted and not withdrawn will be tabulated in accordance with Government Code section 53753.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

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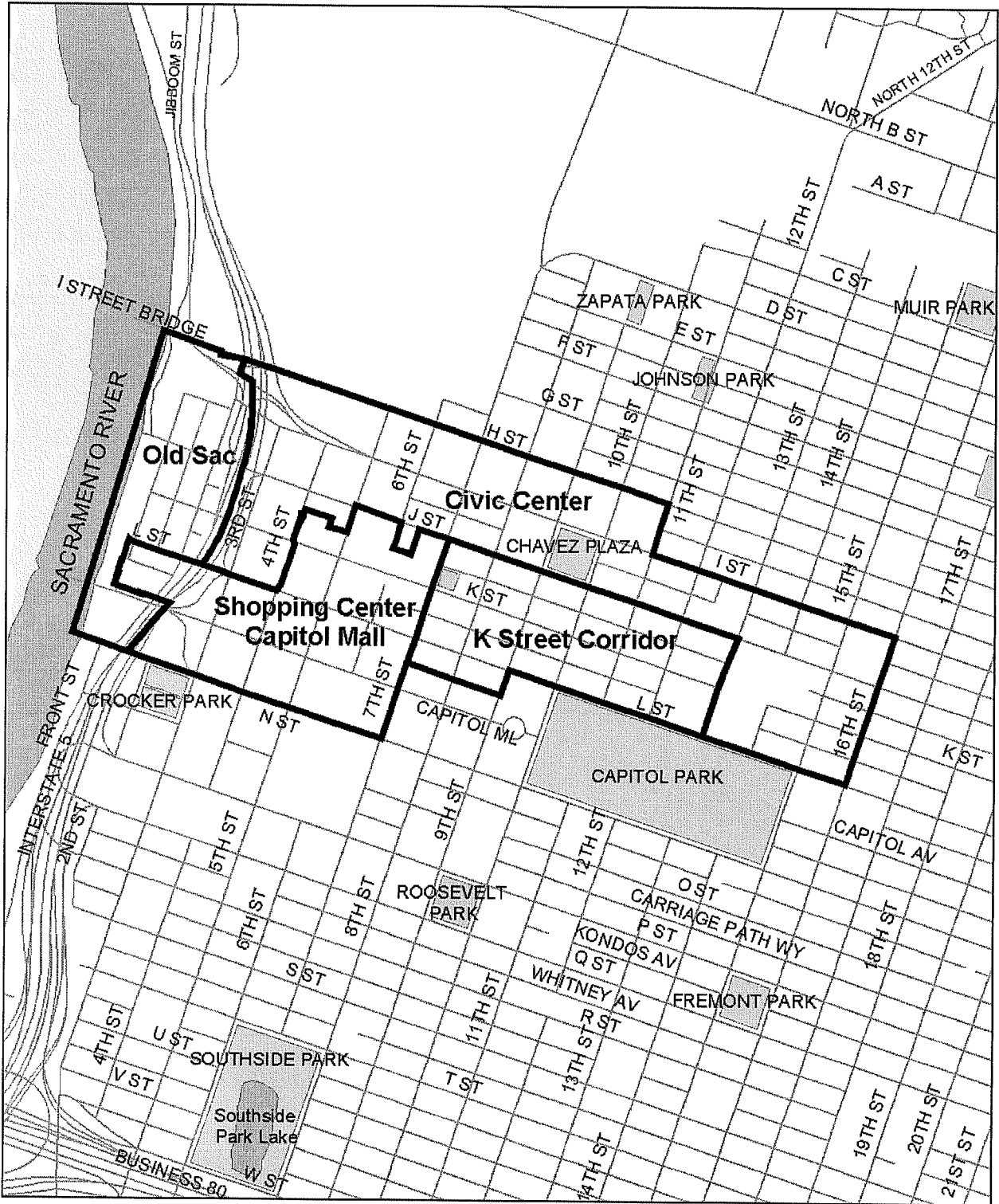
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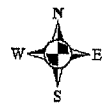
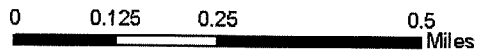
DATE ADOPTED: \_\_\_\_\_

# Boundary Map Downtown Sacramento Property and Business Improvement District (PBID) 2005-02

Exhibit A



B Mueller 5/6/03



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RESOLUTION NO.: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_