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DEVELOPMENT SERVICES
DEPARTMENT

DEVELOPMENT ENGINEERING
AND FINANCE

CITY OF SACRAMENTO
California

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May 26, 2004

City Council
Sacramento, California

Honorable Members in Session:

**SUBJECT: OAK PARK PROPERTY OWNERS BUSINESS IMPROVEMENT DISTRICT
(PBID) – INITIATE PROCEEDINGS**

LOCATION AND COUNCIL DISTRICT:

The proposed Oak Park Property Owners and Business Improvement District is located in City Council District 5. The district includes approximately 175 parcels and 88 property owners in Oak Park (see Attachment A).

RECOMMENDATION:

This report recommends that the City Council:

- Adopt Resolution of Intention to establish the Oak Park PBID

CONTACT PERSON: Sini Makasini, Administrative Analyst, 808-7967
Chris Pahule, SHRA, Acting Redevelopment Mgr.
440-1399 ext. 1442

FOR COUNCIL MEETING OF: June 15, 2004

SUMMARY:

This report will initiate formation of the assessment district to be known as the Oak Park Property Owners Business Improvement District ("PBID") #2004-02. Adoption of the attached resolution will set the time and place for the public hearings and authorize staff to mail notices to all property owners within the PBID. The public hearing is scheduled for the afternoon Council session of August 5, 2004 (Attachment B).

COMMITTEE/COMMISSION ACTION:

None.

BACKGROUND INFORMATION:

- **PBID Concept:** The formation of the PBID was initiated by property owners and is a cooperative effort between Oak Park property owners, the Oak Park Business Association, and the Sacramento Housing and Redevelopment Agency (SHRA). The purpose of the District is to provide special services to enhance and revitalize a designated area of the Oak Park Redevelopment Project Area. The PBID will enhance and support the City's and the Sacramento Housing and Redevelopment Agency's (SHRA) efforts to attract new business investment and jobs to the area. Under the Property and Business Improvement District concept, the cost will be shared by each property owner, based on the level of benefit received, over and above a baseline level of City services already provided to the area. The baseline City services will not change (will not decrease) from the current level provided because of the enhanced services provided by the PBID.
- **Management Plan:** The Oak Park Management District Plan ("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. A copy of the Management Plan has been filed with the City Clerk's Office. Additional copies are available at the offices of SHRA at 600 I Street, Suite 250.
- **Services:** A complete list of services to be provided is included in the Management Plan, however a brief overview follows:

1. Public Safety and Maintenance Perception

Clean and Safe Program

A security program with close ties to the community is a vital part of a public safety plan. The stakeholders in Oak Park have emphasized a "hands on" security program that deters street crime and disorderly conduct. A security program with guide patrols that keep in close communication with the property and business owners in Oak Park is one central point of this program.

Another important factor with a security program is having flexibility to answer particular needs in a particular area. Thus, a guide program that can respond to the needs of Oak Park is also vital.

With these factors in mind, the proposed guide program would emphasize prevention of street crime. They would act as the eyes and ears of Oak Park to deter and report illegal street vending, illegal dumping and street code violations. They would respond to a myriad of quality-of-life problems including: drinking in public, urinating in public, indecent exposure, trespassing, prostitution observations, scavenging, and shopping cart confiscation.

Visibility of the guides is an important aspect of security perception. To emphasize the visibility of the guides in Oak Park, the Plan proposes that the guides patrol Oak Park on bikes or in vehicles. This allows the guides to have contact with the local businesses and residents, but gives the guides adequate transportation to patrol the area.

Integration with the Sacramento Police Department

The Oak Park security program will work closely with the Sacramento Police and integrate the Oak Park program into a unified presence. Also, the businesses that have hired private security may integrate their security program with the Police and the Oak Park program.

The Sacramento Police Department has represented to the Oak Park property owners that if the proposed PBID could provide the Sacramento Police Department with the proper equipment, the Sacramento Police would provide the personnel for bicycle patrols. The PBID would continue to pursue this option and the budget allows for the purchase of the equipment.

Maintenance Patrol

Maintenance patrols provide additional debris and garbage collection beyond existing City Services. The patrols will pick up garbage from illegal dumping and collect additional garbage that the City cannot pick up. Also, the maintenance patrols will provide graffiti abatement in public areas, such as benches and bus stops. In addition, the maintenance patrol will provide landscaping services to the area, such as maintaining trees and cutting back weeds in Oak Park.

The maintenance patrol is a single shift for eight hours a day, seven days a week. The patrol will perform regular rounds in Oak Park looking for maintenance problems. The patrol will also stay in communications with operations to carry out any emergency clean up.

2. Advocacy, Advertising, and Economic Development Program

To provide Oak Park with an effective, clear voice in government decisions, the Plan provides for an administrator to speak on behalf of the property and business owners within the PBID. The administrator will market Oak Park to potential businesses, coordinate special events to attract more business, and be an advocate on behalf of Oak Park to receive additional funding and services.

3. Image Enhancement Program

The Image Enhancement Program will be developed to promote Oak Park as a vibrant commercial center. The program that is developed will include several tools to support the efforts of individual property owners and brokers to attract and retain tenants. Several types of communication elements could be used, including banners, business directories, and promotional events.

- **PBID Formation:** Formation proceedings require submission of petitions from property owners representing more than 50 percent of the total annual assessments prior to initiating

proceedings. Ballots are mailed to all affected property owners. A majority vote is required for the district to proceed. The PBID will have a five-year life, beginning January 1, 2005. After five years, the petition and ballot process must be repeated for the District to continue its existence.

FINANCIAL CONSIDERATIONS:

- | <u>PBID Budget:</u> | <u>Totals/Percentage</u> |
|--|--------------------------|
| Public Safety and Maintenance Perception: The safety and maintenance program will attempt to improve both safety in and physical perception of Oak Park. | \$120,500 (62%) |
| Advocacy, Communication and Economic Development: To promote the district and draw customers and investment capital. | \$42,500 (22%) |
| Image Enhancement: To attempt to attract customers and businesses to the area and to special events and attractions. | \$30,000 (16%) |
| Total | \$193,000 (100%) |
- Assessments: The annual assessments are based upon an allocation of program costs and a calculation of land acreage. The costs to the property owner are based upon total lot square footage. Annual assessment on property throughout the proposed District is \$0.12 (12 cents) per parcel square foot in Zone 1, and \$0.04 (4 cents) in Zone 2. Residential properties with 4 units or less shall not be assessed. The assessment formula contained in the Management Plan provides that the annual budget and 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 not to exceed 3%(percent).
 - City Participation: The City of Sacramento will be participating as a property owner in the district. City owned properties will have a total annual assessment of approximately \$27,000 for FY 2004/05. Assessments will be collected annual through the County property taxes.

ENVIRONMENTAL CONSIDERATIONS:

Under the California Environmental Quality Act (CEQA) Guidelines, district formation proceedings do not constitute a project and are therefore exempt from review.

POLICY CONSIDERATIONS:

These proceedings are being conducted in accordance with the Property and Business Improvement District Law of 1994 as set forth in Section 36600 of the California Streets and Highways Code. Approval of the Oak Park Property and Business Improvement District is

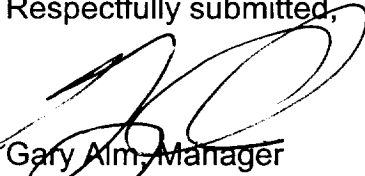
City Council
Oak Park PBID
May 26, 2004

consistent with the City's Strategic Plan in preserving and enhancing the City's neighborhoods and quality of life.

ESBD CONSIDERATIONS:

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

Respectfully submitted,



Gary Alm, Manager
Development Engineering and Finance

Approved:



Michael Medema, Interim Director
Development Services Department

RECOMMENDATION APPROVED:



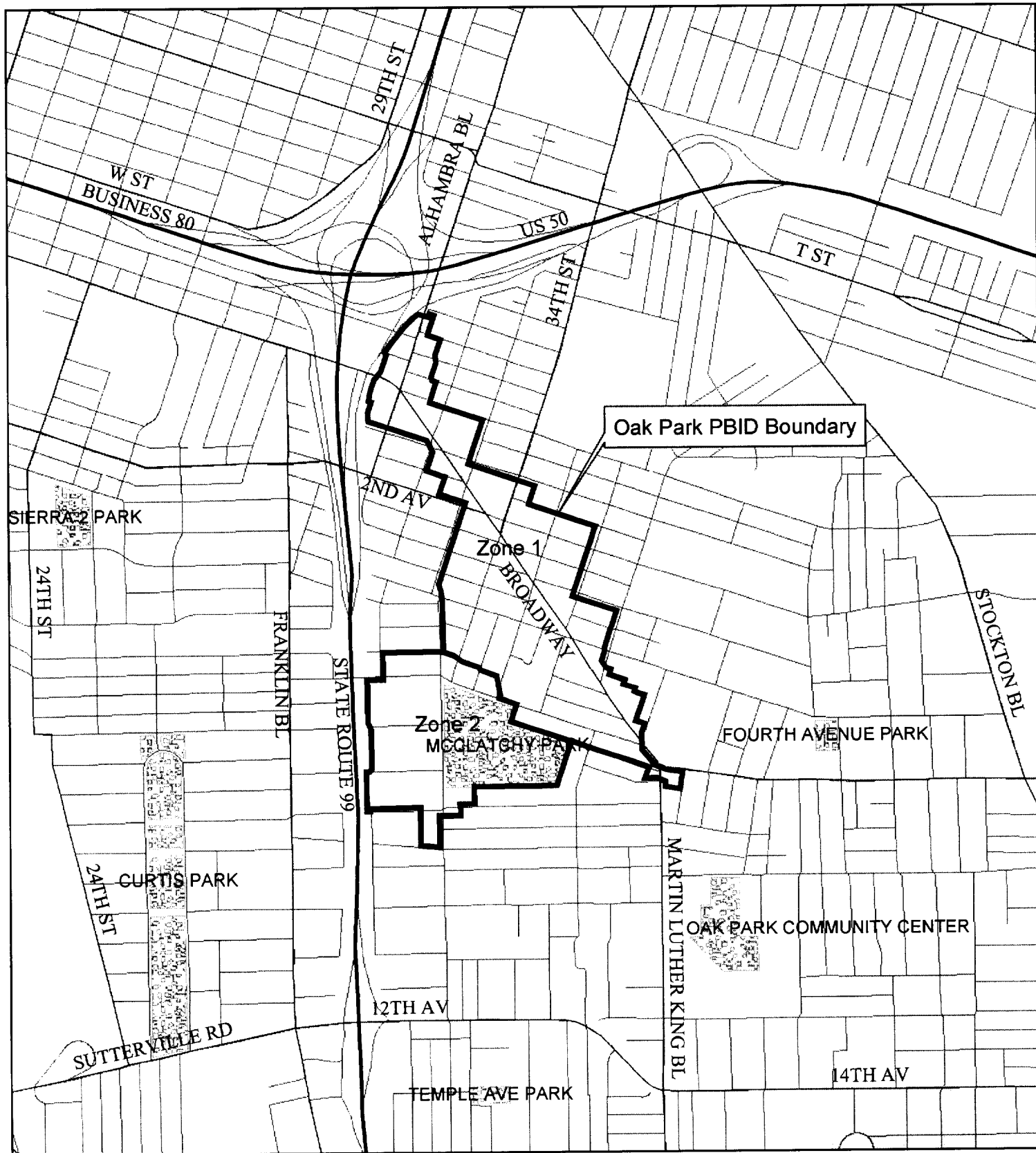
ROBERT P. THOMAS
City Manager

TABLE OF CONTENTS:

1. Attachment A, Location Map of Oak Park. PBID, -pg. 6
2. Attachment B, Schedule of Proceedings, -pg. 7
3. Resolution, Intention to form PBID, -pg. 8
4. Exhibit A, Proposed Boundary Map, -pg. 10

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Proposed Oak Park PBID



ATTACHMENT B
SCHEDULE OF PROCEEDINGS
OAK PARK
PROPERTY OWNERS BUSINESS IMPROVEMENT DISTRICT 2004-02

May 3, 2004 Petition drive kick-off

May 28, 2004 Received Signed Petitions

| | |
|--------------|--|
| June 15 2004 | Council Adopts: Resolution of Intention to Establish the Oak Park PBID |
|--------------|--|

June 2004 Record Boundary Map

June 2004 Mail, Publish Notice of Hearing, Management Plan, and Ballot

August 5, 2004 Public Hearing – City Council

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

August 2004 Transfer assessments to County Auditor/Controller

January 2005 District services commence

RESOLUTION NO. 2004-_____

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON: _____

RESOLUTION OF INTENTION TO ESTABLISH THE OAK PARK PROPERTY AND BUSINESS IMPROVEMENT DISTRICT

RECITALS:

- A.** Attached hereto and incorporated herein by this reference is the Oak Park Property and Business Improvement District No.2004-_____ (hereafter "PBID") Management District Plan (hereafter "Plan"), which provides for a security and maintenance program and an advocacy program with the intent of increasing the commercial activity and overall image of Oak Park.
- B.** The property owners of the properties within the PBID have submitted petitions asking that the City Council establish the PBID. Included with each petition was a Plan summary and a map showing the boundaries of the PBID. The map is entitled "Proposed PBID Boundary Map." The petitions, the boundary map, and the Management Plan are on file with the City Clerk.
- C.** The City Council finds that the City has received the petitions signed by the property owners in the proposed PBID who will pay more than 50 percent of the proposed assessment,
- D.** At the direction of the City Council, the Development Engineering and Finance Manager for the proceedings for formation of this PBID, has filed the Management Plan with the City Clerk, which was prepared in accordance with the provisions of Streets and Highways Code Section 36622.
- E.** The City Council finds that the Plan satisfies all of the requirements of Streets and Highways Code Section 36622. The Plan provides for the following improvements and services within the PBID, all of which are intended to make the PBID safer, cleaner, and increase the commercial activity: (1) a security 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 Plan proposes to fund these improvements and services through the levy of a benefit assessment on real property within the PBID.

FOR CITY COUNCIL USE ONLY

8

RESOLUTION NO: _____

DATE ADOPTED: _____

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.

Section 2. The City Council finds that the property owners who will pay more than 50% of the assessment proposed in the Plan have signed the petitions. The City Council thus accepts the petitions and intends to establish the PBID and to levy an assessment on real property within the PBID 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 5-year term, the proposed assessment is approximately \$193,000.

Section 3. The City Council finds that the 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 "Proposed PBID Boundary Map" 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 establishment of the PBID and the proposed assessment is set for August 5, 2004, at 2:00 p.m. in the City Council's chambers, Interim 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 36623. 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

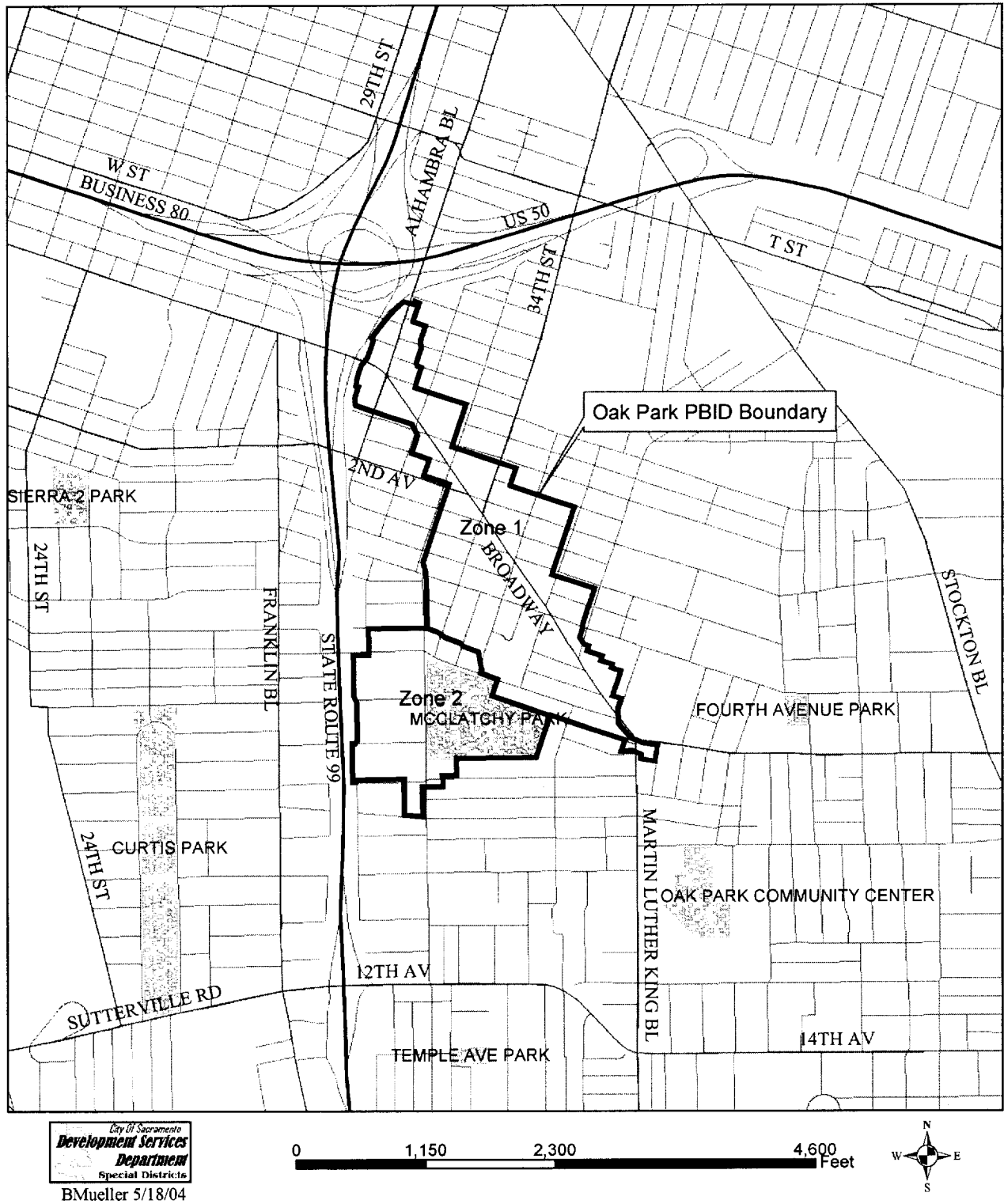
FOR CITY COUNCIL USE ONLY

9

RESOLUTION NO: _____

DATE ADOPTED: _____

Proposed PBID Boundary Map



FOR CITY COUNCIL USE ONLY

RESOLUTION NO: _____

DATE ADOPTED: _____