

City of Sacramento

Legislation Text

File #: 2020-00405, **Version:** 1

Title:

16th Street Property and Business Improvement District No. 2020-02 - Ballot Results

File ID: 2020-00405

Location: District 4

Recommendation:

1) Receive a report on the tabulation of assessment ballots submitted and not withdrawn before the public hearing closed June 16, 2020; and 2) based on the results of the tabulation, adopt a) a Resolution of Formation declaring the results of the majority protest proceedings and establishing and levying the 16th Street PBID No. 2020-02; and b) a Resolution approving the annual 16th Street PBID No. 2020-02 District and City fund budget and establishing an accounting fund for the 16th Street PBID No. 2020-02.

Contact: Sini Makasini, Administrative Analyst, (916) 808-7967; Sheri Smith, Special Districts Manager, (916) 808-7204, Department of Finance

Presenter: None

Attachments:

- 1-Description/Analysis
- 2-Schedule of Proceedings
- 3-Resolution of Formation
- 4-Exhibit A, Management District Plan
- 5-Exhibit B, Map of District
- 6-Resolution Approving District Budget for FY2021
- 7-Exhibit A, Map of District
- 8-Exhibit B, PBID Budget and Parcel Assessment Rate

Description/Analysis

Issue Detail: The property owners along the 16th Street commercial corridor have proposed to establish the 16th Street Property and Business Improvement District (PBID) for a five-year term. The

proposed PBID will serve the public interest by providing additional services related to safety, maintenance, and economic development above and beyond what the City currently provides. The proposed services include daily patrol of street ambassadors, street beautification projects, trash abatement, and graffiti removal. Also, the PBID will fund place-making services, which include marketing, outreach, and other activities to convey a positive image and attract new business to the 16th Street corridor. The proposed services and activities are intended to revitalize the commercial corridor.

On April 21, 2020, City Council passed Resolution 2020-0101: 1) directing staff to mail assessment ballots and notices of public hearing to the owners of real property within the proposed District; and 2) setting June 16, 2020, as the date for a public hearing on the proposed District and assessment.

At the conclusion of the hearing, the City Clerk tabulated the assessment ballots submitted and not withdrawn to determine whether there was a majority protest against the proposed PBID assessment (i.e., whether a majority of the weighted ballots submitted are opposed to the PBID and assessment). Based on the results of the tabulation, there is not a majority protest. As such, staff recommends that the Council pass a resolution of formation, declaring the results of the majority protest proceedings and establishing the PBID. Staff also recommends that Council approve the annual PBID budget and City's fund budget and levy the assessment.

Policy Considerations: The proceedings under which the PBID is proposed to be established are set forth in Sections 36600 of the California Streets and Highways Code, entitled "Property and Business Improvement District Law of 1994."

Economic Impacts: None.

Environmental Considerations:

California Environmental Quality Act (CEQA): Formation of a PBID, as a funding mechanism for services that will not have a significant effect on the environment, does not constitute a project under the California Environmental Quality Act and is therefore exempt from review pursuant to Guidelines Section 15378(b)(4).

Sustainability: Not applicable.

Commission/Committee Action: None.

Rationale for Recommendation: The recommend actions are needed to complete the formation of the PBID and approve the budget for the following year. PBID services include economic development services above what the City currently provides for the area. This includes focused marketing, outreach, and other activities to convey a positive image, expand

existing businesses and attract new businesses to the 16th Street corridor resulting in increased economic activity and revenue.

The Midtown Sacramento PBID Corporation (“Midtown Sacramento”), as the governing body of the PBID, will serve as a key partner to the City’s economic development efforts particularly in the areas of enhancing a clean and safe environment, addressing homeless issues, and providing increased marketing for new business development. In addition, Midtown Sacramento has the potential to serve as a critical partner in identifying both business needs and opportunities, as it will in many instances become the first entity to be contacted by local businesses.

Financial Considerations: Funding is provided by the levy of assessments upon properties that benefit from improvements and services. There are 85 assessed parcels in the PBID service area. The total PBID assessment budget for the first year will be approximately \$172,877. If the proposed PBID is established, the City will participate as property owners. City-owned property will have a total first year annual assessment of approximately \$27,915. Funding for the City park and musical theatre will be supported by the City’s General fund account, not the PBID. The cost associated with the parking garage will be supported by the Parking Fund, not the PBID. Future assessment rates may be subject to an increase of no more than four percent (4%) annually and nor more than the actual increase in costs.

City Parcels:

002-0091-001-0000 (Muir Children’s Park) - \$7,162.52

002-0166-021-0000 (CA Musical Theatre) - \$5,578.02

006-0055-001-0000 (Memorial Parking Garage) - \$7,162.52

FY2020/21 PBID Budget

Year	Maintenance & Safety	Advocacy, Communications & Administration	Place-making & Capital Improvements	Contingency	Total PBID Budget
2021	\$91,630.22	\$43,221.80	\$29,390.82	\$8,644.36	\$172,887.20

Local Business Enterprise (LBE): Not applicable.