

COUNTY OF SACRAMENTO  
CALIFORNIA

31

For the Agenda of:  
December 6, 2022

APPROVED  
BOARD OF SUPERVISORS  
by Reso No. 2022-1019  
DEC 06 2022

BY *Florence Davis*  
Clerk of the Board

To: Board of Supervisors

Through: Ann Edwards, County Executive  
David Defanti, Deputy County Executive  
Community Services

From: Troy Givans, Director, Office of Economic Development

Subject: Approve A Property And Business Improvement District Formation Incentive; Authorize The Director Of The Office Of Economic Development To Administer The Incentive And Execute Contracts For Consultant Services Related To The Incentive

District(s): All

**RECOMMENDED ACTION**

Adopt the attached resolution that:

1. Approves a Property and Business Improvement District Formation Incentive (PBID Formation Incentive) in the amount of \$180,000 and authorizes restoration of District 3 Transient Occupancy Tax funds in the amount of \$20,000 that were used for purposes consistent with the PBID Formation Incentive.
2. Authorizes the Director of the Office of Economic Development (OED), or designee, on behalf of the County of Sacramento, to negotiate, execute, administer, amend and terminate, in a form approved by County Counsel, consultant agreements associated with the implementation and administration of the PBID Formation Incentive, and to sign other ancillary documents as required in connection with administration of the PBID Formation Incentive.

**BACKGROUND**

On September 8, 2021, the Board approved \$200,000 from the General Fund to support Property and Business Improvement Districts (PBIDs) as part of the Revised Recommended Budget for Fiscal Year 2021-22. The \$200,000 was transferred to OED, where it has been maintained as a contingency to support PBIDs, pending further direction from the Board (PBID Contingency).

Approve a Property and Business Improvement District Formation Incentive;  
Authorize the Director of the Office of Economic Development to Administer  
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PBIDs are geographically defined special assessment districts, allowable by state and local law. A PBID is funded through a self-imposed additional tax levy on non-exempt property owners in order to provide a higher level of services within a specific boundary on behalf of those property owners. These funds are collected by the local taxing authority and returned in their entirety to the PBID and are used for supplemental services (maintenance, sanitation, security, promotions and special events) and capital improvements (street furniture, trees, signage, special lighting) beyond those services and improvements provided by the municipal government.

Sacramento County currently administers 6 PBIDS within the unincorporated area: Antelope, Arden-Arcade, Carmichael, Florin Road, Fulton Avenue and Watt Avenue (County PBIDs). Sacramento County also participates in several City of Sacramento administered PBIDs that include portions of the unincorporated area. Many of these PBIDs represent the County's most frequented and familiar areas and operate in commercial corridors.

Since Fiscal Year 2017-18, the Board has provided PBID support through an annual General Fund transfer to OED to cover the County's cost (primarily Special Districts staffing and Direct Levy Management System costs) associated with the formation of new County PBID's and administration and renewal of existing County PBIDs. The current Fiscal Year transfer amount totaled \$164,314.

#### Incentive for New PBID Formation

The PBID Contingency presents an opportunity for the Board to fund a PBID Formation Incentive to support property/business owners in business areas/corridors in the unincorporated area that are pursuing forming a new PBID. Recommendations and details for a PBID Formation Incentive are outlined in Attachment 1. OED staff recommends \$180,000 of the PBID Contingency for the PBID Formation Incentive.

Supervisor Desmond, with District 3 Community Services Projects Transient Occupancy Tax (TOT) funds, provided \$20,000 in March 2022 to pay consultant costs associated with the recent formation of the Arden-Arcade PBID. This support from District 3 was key in completing the formation of this PBID that had weathered challenges of forming a PBID during the COVID-19 pandemic. The District 3 TOT funds were used pending direction from the Board on uses for the PBID Contingency. Since the \$20,000 provided by District 3 is consistent with the PBID Formation Incentive, staff recommends restoration of the District 3 TOT funds with \$20,000 of the PBID Contingency.

Approve a Property and Business Improvement District Formation Incentive;  
Authorize the Director of the Office of Economic Development to Administer  
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Approval of the attached resolution will approve the PBID Formation Incentive,  
authorize restoration of District 3 TOT funds in the amount of \$20,000, and  
authorize the Director of Economic Development to administer the PBID  
Formation Incentive.

**FINANCIAL ANALYSIS**

The County recognizes the positive impact PBIDs continue to have on the  
region and supports the creation of new PBIDs within the unincorporated area  
of the County. Approval of actions in this report will provide funding to support  
PBID creation efforts. Appropriations for consultant expenses under the PBID  
Formation Incentive are included in the OED Budget for Fiscal Year 2022-23.  
Actions recommended in this report associated with restoration of District 3  
TOT funds do not impact the General Fund.

Attachments:

RES – Authorizing Property and Business Improvement District Formation  
Incentive

ATT 1 – Property and Business Improvement District Formation Incentive

**RESOLUTION NO. 2022-1019**

**AUTHORIZE PROPERTY AND BUSINESS IMPROVEMENT  
DISTRICT FORMATION INCENTIVE**

**WHEREAS**, District 3, with District 3 Community Services Projects Transient Occupancy Tax (TOT) funds, provided \$20,000 to pay consultant costs associated with formation of the Arden-Arcade Property and Business Improvement District (PBID) formation. The funds were provided pending direction from the Board of Supervisors on uses for \$200,000 approved, in the Revised Recommended Budget for Fiscal Year 2021-22, for PBID support (PBID Contingency); and

**WHEREAS**, a Property and Business Improvement District Formation Incentive (PBID Formation Incentive) is presented in Attachment 1. Staff recommends the Board approve the PBID Formation Incentive and allocate \$180,000 from the PBID Contingency to fund the PBID Formation Incentive. Staff also recommends the Board authorize restoration, with \$20,000 of the PBID Contingency, \$20,000 of District 3 TOT funds that were used for purposes consistent with the PBID Formation Incentive.

**NOW THEREFORE BE IT RESOLVED AND ORDERED** that the Board of Supervisors approve the PBID Formation Incentive in Attachment 1, authorize \$180,000 for the PBID Formation Incentive and authorize restoration of District 3 TOT funds in the amount of \$20,000 that were used for purposes consistent with the PBID Formation Incentive.

**BE IT FURTHER RESOLVED AND ORDERED** that the Director of the Office of Economic Development, or designee, be and is hereby authorized, on behalf of the County of Sacramento, a political subdivision of the State of California, to negotiate, execute, administer, amend and terminate, in a form approved by County Counsel, consultant agreements associated with the implementation and administration of the PBID Formation Incentive, to sign

other ancillary documents as required in connection with administration of the PBID Formation Incentive, and to do and perform everything necessary to carry out the purpose of this Resolution.

On a motion by Supervisor Desmond, seconded by Supervisor Kennedy, the foregoing Resolution was passed and adopted by the Board of Supervisors of the County of Sacramento this 6<sup>th</sup> day of December, 2022, by the following vote, to wit:

AYES: Supervisors Desmond, Frost, Kennedy, Serna, Nottoli

NOES: None

ABSENT: None

ABSTAIN: None

RECUSAL: None

(PER POLITICAL REFORM ACT (§ 18702.5.))



ATTEST: Alorence Evans  
Clerk, Board of Supervisors

Don Nottoli

Chair of the Board of Supervisors  
of Sacramento County, California

**FILED**  
BOARD OF SUPERVISORS

DEC 06 2022

BY Alorence Evans  
CLERK OF THE BOARD

In accordance with Section 25103 of the Government Code of the State of California a copy of the document has been delivered to the Chair of the Board of Supervisors, County of Sacramento on December 6, 2022

By [Signature]  
Deputy Clerk, Board of Supervisors



## Property and Business Improvement District Formation Incentive

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### OVERVIEW

Sacramento County has designated funding for a Property and Business Improvement District Formation Incentive. Property and Business Improvement Districts (PBIDs) are benefit assessment districts formed pursuant to California law which provide improvements and services, which enhance the economic vitality of the properties within each district.

**Eligible PBID Areas:** Proposed County administered PBIDs with boundaries that include more than half of the assessed properties in the unincorporated County.

**Potentially Eligible Applicants:** Formalized steering committees consisting of property and business owners that are actively working to form a PBID.

**Incentive Amount:** Up to \$50,000 per proposed PBID project.

**Use of Funds:** County will contract, in an amount not to exceed \$50,000, with a mutually agreed to PBID consultant for PBID feasibility study and/or formation services.

### APPLICATION PROCESS

The Director of Economic Development (Director) is authorized by the Board of Supervisors to administer the Incentive on behalf of the County.

**Required Documentation:** For a project to be considered for this Incentive, Potentially Eligible Applicants must complete and submit a Property and Business Improvement District Formation Grant Application.

**Review and Deadlines:** Applications will be reviewed by the Director and staff for completeness and eligibility within 45 days of submission.

**Selection:** Applicant selection for funding support will be performed in the order that applications are received and until all Incentive funds are committed and expended.

**Incentive Distribution:** County will contract directly with a PBID consultant up to the amount of incentive approved by County. Consultants must have extensive experience performing feasibility studies and formation services for the creation of PBIDs. Consultants should have knowledge of the Sacramento County community.