Action Item

Agenda Item No. 13

City Manager's Approval

Report to the Auburn City Council

To:	Mayor and City Council Members
From:	Amy M. Lind, Deputy/Assistant City Clerk
Date:	May 12, 2014
Subject:	Intention to Levy Annual Assessment Fee for Business Improvement Districts

The Issue

Shall the City Council:

1. Appoint the City Manager as the advisory board for both the Old Town and Downtown Business Improvement Districts.
2. Approve the Annual BID Reports submitted by the Old Town and Downtown Business Associations.
3. Adopt a Resolution of Intention to levy an Annual Assessment fee for both the Old Town and Downtown Business Improvement Districts, for fiscal year 2013/14, setting a Public Hearing date for June 9, 2014, to review the proposed fees for Old Town and Downtown Business Improvement Districts.

Conclusion and Recommendation

Staff Recommends that the City Council by **RESOLUTION**:

1. Appoint the City Manager as the advisory board for the Old Town Business Improvement District and for the Downtown Business Improvement District and direct him to produce the report required pursuant to Section 36533 of the 1989 Law for Fiscal Year 2014/15.
2. Approve the Annual Reports as filed by the advisory board for both the Old Town Business Improvement District and for the Downtown Business Improvement District.
3. Set a Public Hearing for June 9, 2014 to levy annual assessment fees for fiscal year 2014/15 within the Old Town Business Improvement District and the Downtown Business Improvement District.

Background

State Law enables the establishment of Parking and Business Improvement Areas. Business owners within the proposed improvement areas, as indicated on the report maps, have initiated the process. The proposed assessments are for the sole benefit of the businesses within the areas. The assessment funds will be spent on items contained in the budgets submitted by the Downtown and Old Town Business Associations and approved annually by the Council.

The proposed assessment rate schedule from OTBA for fiscal year 2014/15 is to remain at:

Personal Services	$ 25.00
Professional Services	$250.00
Retail Assessment is $2.00 per $1000.00 of sales with no minimum of sales under $100,000.00	
Retail annual sales $100,000.00 to $200,000.00	$300.00
Retail annual sales $200,000.00 to $500,000.00	$400.00
Retail annual sales $500,000.00 to $1,000,000.00	$500.00
Retail annual sales over $1,000,000.00	$600.00

The proposed assessment rate schedule from DBA for fiscal year 2014/15 is to remain at:

100% of the annual City of Auburn Business License Fee with a minimum of $50 and a cap of $500.

For proposals from the Old Town BID and The Downtown BID, see attached reports.

The City Council may approve the reports as filed, or the Council may modify any item contained in the reports. A public hearing is planned for June 9, 2013 to hear all interested persons for or against the Business Improvement Areas and their levied assessment fees. Notice of the hearing shall be given by publishing the resolution of intention in a newspaper for general circulation notice at least 7 days prior to the public hearing.

Alternatives Available to Council

1. Do not approve the appointment of the City Manager as the advisory board for the Old Town BID and Downtown BID.
2. Modify the Annual reports and adopt a resolution of intention to levy and annual assessment for fiscal year 2014/15
3. Do not authorize the City Clerk to set a Public Hearing for June 09, 2014 to levy annual assessment fees for fiscal year 2014/15 for Old Town and Downtown BIDs.

Fiscal Impact

There is no fiscal impact on the City other then the cost of public notices and of processing the collection of assessment which is billed with the business license tax at the end of June.

AUBURN
DOWNTOWN BUSINESS
ASSOCIATION
www.downtownauburnca.com

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AUBURN, CA 95604

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SUPPORTING OUR
DOWNTOWN TOGETHER

Auburn Downtown Business Association Annual Report to City Council

May 6, 2014

To Mayor Bridget Powers and City Council,

We are enjoying the improved business climate of Auburn and its continued upward direction in the local economy. We appreciate your investment into improving the Downtown market place and making Auburn a vibrant, place to live and work.

The following pages list our accomplishments of 2013/2014 and our goals for next year. They are arranged in a simple bullet point format for your review.

Also attached is the proposed budget for the 2014–15 fiscal year. This budget will be completed and approved in July.

We also thank the City Council for your assistance to the relocation of the Chamber to its original location and are excited about the proposed improvements and restrooms to be located there. This coupled with the Central Square Plaza has created a wonderful social dynamic which has already stimulated new investment in local business and should increase visitor traffic to Downtown for years to come.

We look forward to the continued close coordination of our efforts with the City through the next year.

Thank you, DBA President, Jim Brill

Review of the DBA activities for the year of 2013-2014

* *Very successful Joint wine tasting event with Old Town almost reached 800 attendees. Wineries from outside our area are now wanting to participate and are on a waiting list. A Wonderful opportunity for the attendees to see and taste what Auburn has to offer.*

* *New DBA website*

* *New Wine Festival Website*

* *Successful Safe & Happy Halloween*
  750 kids participating, Lots of fun

**Purchased and passed out 3000 Mini American Flags for Veterans Day and Fourth of July*

* *Restructure of the Flower pot maintenance program*

* *Continuation of five successful Cruise Night Events*

**Sponsored the Revitalized Funk Soap Box Derby*

**Assisted the Chamber of Commerce and coordinated the Vendors and assisted with Volunteers for the Festival of Lights parade*

**Contributed Financially to The Art Walk.*

**Created new Christmas Tree Lighting event during Thanksgiving Weekend.*

**Replaced Christmas decorations on Lincoln Way and High Street to Central Square.*

Our Plans for 2014-2015

1) *To continue our Wine and Food Festival which we successfully partnered with Placer County Vintners Association and will be growing the event. The event will again give participants the opportunity to enjoy Downtown and Old Town Auburn at it's best.*

2) *Coordinate and financially participate for the promotion (advertising) of Auburn with the City, OTBA, Placer County Welcome Center, and the Auburn Wine Trail to focus on bringing people from Outside the Auburn Area.*

3) *Establish a new marketing committee to focus our marketing efforts*

4) *Contunie our replacement of Christmas decorations to include High Street from Lincoln Way to Elm Ave.*

   We are currently looking to have them manufactured locally, and should be able to do so at a lesser price.

5) *Continue the Flower Pot program update by reducing the number of pots creating a lower maintenance, planting program.*

6) *Mini Flags to hand out for 4th of July and placement large flags on upper Lincoln Way.*

7) *Partnering with the City and Chamber with Live @Central Square, May through September*

8) *Continuing support of Outdoor Movie Nights at Central Square*

Downtown Auburn Business Association
2014-15 Budget

Ordinary Income/Expense	**DRAFT BUDGET**	
Income		
Member Income		
Bid Member Assesment	36,000.00	
Associate Members	500.00	
Total Member Income	0.00	36,500.00
Promotion		
Wine Festival	5,000.00	
Cruise Nite	2,500.00	
Web Site Advertising	400.00	
Total Promotion		7,900.00
Total Income		**44,400.00**
Expense		
Meetings		
Refreshments	0.00	
Rental	0.00	
Total Meetings		0.00
Accounting		1,800.00
Insurance/Liability		3,500.00
Organization		
Misc Office Expense	500.00	
Constant Contact	600.00	
Membership Dues	0.00	
Donation	0.00	
Postage	250.00	
P O Box Rental	60.00	
Mailers	0.00	
Printing	0.00	
Sunshine	600.00	
Web Site	1,000.00	
Total Organization		3,010.00
Promotion		
Permits	650.00	
American Flag Purchase	800.00	
Art Walk	500.00	

Downtown Auburn Business Association
2014-15 Budget

		Festival of Lights Parade	500.00	
		Sidewalk Sales	300.00	
		Christmas Décor	5,000.00	
		Christmas Holiday Promo	2,000.00	
		Auburn Family Night Out	200.00	
		Halloween	100.00	
		Funk Box Derby	500.00	
		Live at Central Square	0.00	
		Advertising	9,000.00	
	Total Promotion			19,550.00
	Economic Restructure			
		Improvement Project	2,000.00	
	Total Ecominc Restructure			2,000.00
	Planters Maintenance		3,000.00	
				3,000.00
Total Expence				**32,860.00**
Net Income				11,540.00

RECEIVED
APR 23 2014
BY:

April 17, 2014

City of Auburn
– City Manager
Auburn City Council

RE: Old Town Business Association Business Improvement District (BID)
History and explanation of benefits

The Old Town Business Association is a 501c6, a Mutual Benefit non-profit governed by the Corporation bylaws.

Operating funds are garnered through our Business Improvement District (BID) and other means of financial support through public events. Ninety percent (90%) of our income goes back into the district. The BID harkens its history to the Main Street Program and the Historic Auburn Business Alliance (HABA) some twenty years ago.

Funds collected from fiscal year 2013-2014 and reassessed and raised for fiscal year 2014-2015 contribute to our ability to pay for but not limited to: Three street fairs, Seven Holiday events, building lights, holiday decorations, small I-80 billboard, landscape maintenance/additions, wishing wells (garbage cans), additional iron handrails, banner program, Post Office rental/repairs, Art Walk sponsor, community billboard and media advertising which include the Placer County Visitors Guide, Steppin' Out Magazine and others.

OTBA meetings are open and transparent where open discussions on topics that pertain to our district are encouraged. The current OTBA Board is beginning a process to review the BID, gathering data for new 2014/2015 budget.

Respectfully,

John Lynch
Old Town Business Association President
On behalf of the OTBA Board of Directors
Cc: Board of Directors

April 20, 2014

To: , City Manager – Auburn
From: Old Town Business Association (OTBA)
RE: Business Improvement District (BID)

1. **Introduction:** This annual report by the Old Town Business Association Improvement District (BID) for the coming fiscal year is provided to the City of Auburn for consideration and approval. Included in this report is a work plan and a proposed budget. Funds generated by the Old Town BID are administered by the OTBA for the sole purpose of enhancing the physical and economic well-being of the Old Town district with the approval of the Auburn City Council.
2. **BID District:** The Old Town BID begins at and includes the Hill property at the end of Park Street, and continues down Park Street to Maple Street and up to Auburn Folsom Road. The boundary continues on Auburn Folsom Road to Race Track Street, turns right on Race Track to Brewery Lane, turns right on Brewery Lane, and, continues down Brewery Lane to its end, where the boundary line then extends across and encompasses the Hill property at the end of Park Street.
3. **PROPOSED PROGRAM of Work for the OTBA:** The OTBA continues to add new ideas to improve our area, all of which are important to attract visitors and continue to maintain the vitality from which business owners can thrive. We are adding hanging baskets to add more color to Old Town, Hand rails are being added to Commercial Street and Sacramento Street for public safety and additional patriotic bunting. Three additional signs are being added to help drive more visitors to Old Town and we are continually doing upkeep and improvements as needed. The OTBA continues to use advertising dollars to reach further west of Placer County with the idea of attracting a desired demographic. We continue to subsidize the Post Office rent and we continue to attract interested business owners to participate in the stated plans through implementation of our district "goal list". One of our primary goals for 2013 – 2014 is increasing the participation and the involvement of the members of the Old Town Business Association in the Association.
4. **STREET SCAPE:** The OTBA has continues to maintain a licensed Landscape Contractor (Independent Contractor) who does seasonal plantings and maintains (93 planters) and replaces all receptacles pertinent to healthy growth and a historic

esthetic and attractive curb appeal. Our Landscape Contractor has designed and started hanging the baskets to colorfully enhance sections of our district

OTBA continued

5. **PUBLIC EVENTS:** The OTBA continues to sponsor and promote retail events and festivals with special attention to our annual two Antiques and Collectibles Street Fairs, Cinco de Mayo, 4th of July Celebration, two Auburn Movie Nights, Art Walks, the Auburn Wine and Food Festival, A Taste of Chocolate and finally our two Country Christmas events. We are continually looking at other events to draw visitors into our district. The balance of the events for 2014 are:

April 19:	Bunny Hop Easter Egg Hunt
May 5:	24th annual Cinco de Mayo
May 18:	47th annual Spring Street Fair
May 31:	Fine Art & Wine Festival
June 25:	Free Old Town Movie Night
June 12:	Art Walk
July 4:	Pancake Breakfast and Kids Games
July 23:	Free Old Town Movie Night
Aug. 2 & 3:	Heritage Trail-Activities
Aug. 14:	Art Walk
Aug. 23	Native Sons
Oct. 9:	Final Art Walk
Oct. 11:	Wine and Food Festival
Oct. 19:	47th annual Fall Street Fair
Oct. 31:	Safe Trick or Treat
Nov. 28:	Candy Cane Friday
Dec. 13 & 20:	28th annual Country Christmas

Attached heretofore you will find the OTBA proposed budget for fiscal year 2014-2015 and a working budget for same.

It is the intent and goal of the OTBA to continually work with the City of Auburn and our community to maintain and preserve the historic integrity and old fashioned ambiance that draws the curiosity senses of our visitors and to invite them to have the best experience that our community and the Old Town district has to offer and with the BID, allows us to maintain a vibrant business district.

4/17/2014

4. Proposed OTBA Budget, Fiscal Year 2014/2015

4.1 Income

Antiques & Collectables Street Fairs	$ 22000.00
Historic District BID, 2011 – 2012	$ 26000.00
Miscellaneous Events, Donations	$ 6050.00
Reserve	$ 1200.00
Total Income	**$ 55250.00**

- for this current year as of April 19, 2014 we had a balance of $22.963.85

Projects currently on the books;

NewTrash Containers/ Planters	$ 4000.00
Wrought Iron Handrails	$ 4000.00
Security Cameras above Post Office	$3000.00
Marketing	$ 1000.00

4.2 Expenses

Building Light Repairs	$ 500.00
Street Fairs	$ 11,600.00
Other Events	$ 3250.00
Streetscape Maintenance	$ 16,000.00
Post Office Rental	$ 3700.00
Insurance	$ 1900.00
Old Town Advertising	$ 8000.00
Donations	$ 150.00
Administration Expense	$ 905.00
Total Expenses	**$46005.00**

RESOLUTION NO. 14-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AUBURN, CALIFORNIA, DECLARING ITS INTENTION TO LEVY AND COLLECT ASSESSMENTS FOR FISCAL YEAR 2014/15 IN CONNECTION WITH THE OLD TOWN AUBURN BUSINESS IMPROVEMENT DISTRICT AND THE DOWNTOWN BUSINESS IMPROVEMENT DISTRICT AND FIXING A TIME AND PLACE FOR A HEARING ON SUCH LEVIES.

WHEREAS, in 2002 this City Council established the Old Town Auburn Business Improvement District (the "Old Town BID") and the Downtown Business Improvement District (the "Downtown BID") as parking and business improvement areas pursuant to the Parking & Business Improvement Area Law of 1989 (Streets & Highways Code Sec. 36500 et. Seq.) (the "1989 Law") Collectively, the Old Town BID and the Downtown BID are referred to as the "BID's" in this Resolution, and each is referred to as a "BID"; and

WHEREAS, the City Manager, serving as the Advisory Board for each BID, has filed with the City Clerk a report for each BID as required by Section 36533(b) of the 1989 Law (the "Reports"); and

WHEREAS, the City Council desires to levy and collect assessments in connection with the BID's for Fiscal Year 2014/15.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF AUBURN, CALIFORNIA DOES RESOLVE AS FOLLOWS:

Section 1. The City Council affirms its ongoing appointment of the City Manager to serve as the advisory board for each BID.

Section 2. The City Council approves the Reports as filed with the City Clerk.

Section 3. The City Council intends to levy and collect assessments within BID's for Fiscal Year 2014/15.

Section 4. A general description of the proposed improvements and activities to be funded with assessment proceeds from business in the Downtown BID are those activities and improvements that benefit business in the Downtown BID. A general description of the proposed improvements and activities to be funded with assessment proceeds from business in the Old Town BID are those activities and improvements that benefit business in the Old Town BID. Substantial changes are not proposed for the improvements and activities of either BID.

Section 5. The full name of the Old Town BID is the "Old Town Auburn Business Improvement District", and the Old Town BID is generally located in Old Town Auburn. The full name of the Downtown BID is the "Downtown Business Improvement District" and the Downtown BID is generally located in Downtown Auburn.

Section 6. Reference is made to the Reports for a full and detailed description of the improvements and activities to be provided for Fiscal Year 2014/15, the boundaries each BID, and the proposed assessments to be levied upon the businesses within each BID for Fiscal Year 2014/15.

Section 7. On June 9, 2014 at 6:00 p.m. in the City Council Chambers located at 1225 Lincoln Way, Auburn CA 95603, the City Council will hold public hearings on the proposed assessments for Fiscal Year 2014/15 for the Old Town BID and for the Downtown BID. At the public hearing written and oral protests may be made. The form and manner of protests must comply with Sections 36524 and 36525 of the 1989 Law.

Section 8. No changes to the boundaries, assessment rate, or assessment methodology of either BID are proposed.

Section 9. All assessments levied in connection with the BID's are assessed at a rate no higher than the rate levied prior to November 2, 2010, consequently, they are not subject to the provisions of Proposition 26, which was adopted by the voters on that date. Furthermore, even if Proposition 26 is applicable to the assessments, the City Council finds that the assessments are charges imposed for a specific benefit conferred directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit.

Section 10. The City Clerk shall give notice of the June 9, 2014 public hearing as required by law.

PASSED, APPROVED AND ADOPTED, this May 12, 2014.

_____
Kevin Hanley, Mayor

ATTEST:

_____
Stephanie L. Snyder, City Clerk

I, Stephanie L. Snyder, City Clerk of the City of Auburn, hereby certify that the foregoing resolution was duly passed at a regular meeting of the City Council of the City of Auburn held on the 12th day of May 2014 by the following vote on roll call:

Ayes:

Noes:

Absent

_____
Stephanie L. Snyder, City Clerk