

Susanne Tam  
Development Project Manager  
City of Sacramento  
Finance Department  
915 I Street, 5<sup>th</sup> Floor  
Sacramento, CA 95814

**Re: 2023-2024 Fiscal Year Budget – Sutter Business Improvement Area-SBIA**

Dear Susanne,

On behalf of the Board of Directors of the Midtown Sacramento PBID Corporation dba Midtown Association, I have enclosed our 2023-2024 fiscal year annual budget pursuant to the State of California Parking and Business Improvement Area law of 1989.

The total SBIA budget for FY 2023-2024 is \$236,952.00.

Thank you for your continued support of Midtown, and the Sutter Business Improvement Area. If you have questions or need additional information, I can be reached by phone at (916) 442-1500.

Sincerely,

A handwritten signature in black ink, appearing to read "Emily Baime Michaels". The signature is stylized with a large, sweeping loop at the end.

Emily Baime Michaels  
Executive Director



## Sutter Business Improvement Area Annual Report

Overview: The Sutter Business Improvement Area (SBIA), also known as Midtown Sutter, is an assessment district to provide specific benefits to payers managed by the Midtown Association. The SBIA was adopted by the Sacramento City Council on January 29, 2008 and collections began the first fiscal year, July 1, 2008 – June 30, 2009. This is the annual report. The Parking and Business Improvement Area Law of 1989, California Streets and Highways Code Section 36500 et seq. (the Law), authorizes cities to establish business improvement areas for the purpose of providing improvements and activities that benefit those businesses.

*Location:* The SBIA includes all restaurant businesses with an occupancy of 49 customers or more located within the portion of Midtown Sacramento bounded by 27th Street, 29th Street, J Street, and P Street, as shown on the map attached as Exhibit A.

*Services:* The types of improvements and activities to be funded by the levy of assessments against restaurant businesses within the SBIA are additional security, maintenance and marketing programs to promote Midtown Sutter as an attractive destination for dining and projects, programs, and activities that benefit restaurant businesses located and operating within the boundaries of the district. The proposed improvements and activities shall be targeted at increasing restaurant business revenues.

*Budget:* The total SBIA annual budget is projected as \$236,952.00 and actual collections may vary slightly based upon the opening and closing of establishments. The annual assessment rate is 1.5 percent of gross food sales revenue plus a fixed amount based on occupancy. Based on the benefit received, the assessment shall not be collected on: gross alcoholic beverage sales; gross catering or banquet sales; and gross retail sales (such as coffee mugs, t-shirts, etc.). The fixed assessment amount (based on occupancy) is in addition to the gross food sales assessment and is shown in the table below:

Occupancy Threshold	Annual Occupancy Assessment
49-89 customers	\$0
90-149 customers	\$996
150-200 customers	\$4,992
200+	\$9,996

*Governance:* The Board of the Midtown Association has established an SBIA advisory committee made of assessed business owners. Membership includes: Barwest, Blue Cue, Café Bernardo, Centro Cocina Mexicana, Harlow's, INK, Paragary's, The Red Rabbit, and T Bar & Fusion Café.

#### Programs & Financial Overview:

*Lighting & Safety:* The lighting and safety program focuses on safety services and amenities that make the SBIA businesses safer and more welcoming for visitors. Funds account for the addition of lighting along 28<sup>th</sup> Street, as well as maintenance of existing lights. The program includes BLOC patrol police services on Friday and Saturday nights, and private security for SBIA district events.

*Placemaking, Arts, & Events:* The placemaking, arts, and events program focuses on attracting patrons to assessed businesses by funding family/neighborhood friendly programming in public spaces such as parks, streets, and parking lots. The program focuses on arts and annual signature events that drive restaurant sales including the development of an outdoor entertainment space at Marshall Park. The program also features quarterly events such as Preview Tasting Menus and Progressive Dinners. The program also includes marketing and advertising costs, such as district marketing advertising, social media boosting, hiring a public relations professional to promote the events and earn media coverage for each event, and for each event to attract no less than 500 attendees. These funds are not used to enhance events or promotions that take place exclusively inside businesses. Program costs can include special event insurance, street closure costs, entertainment fees, advertising, and placemaking projects such as refreshing district branding, banners and public art installations adjacent to assessed businesses. Assessment funds are not used to rebate businesses for their specific marketing efforts or event planning costs.

*Advocacy & Administration:* In order to provide the lighting and safety and placemaking, arts, and events services, the Midtown Association incurs various administrative costs, such as staffing, rent, advocacy, insurance, legal, and accounting fees. Advocacy programs will utilize dedicated staff time to provide unified attention, communication, and responsiveness throughout the SBIA on regulations and policies affecting assessed restaurant businesses.

*Collections/Contingency/Reserve:* In order to ensure effective provision of services, a contingency will be established to account for uncollected assessments or unanticipated program costs. The reserve fund may be spent on programs described in this Plan in any proportion deemed appropriate by the Midtown Association. This category includes the cost of City administrative fees, not to exceed \$5,000 per year, for collection and disbursement of the assessment.

## Specific Projects & Budget Overview:

Lighting and Safety projects include:

- BLOC patrols on Friday and Saturday evenings staffed by members of the Sacramento Police Department (SPD).
- Police costs for special events, including SPD staffing for events in the street or in the city parks, private security for events within private locations such as the B Street Theatre and State of CA Rangers for events at Sutter's Fort state park.
- Ambient lighting installation that stretches along 28<sup>th</sup> Street between J Street and O Street.

Placemaking, Arts & Events projects include:

- Midtown Halloween Festival & Pooch Parade, October 28, 2023, at Marshall Park.
- Sunday Concert Series at Marshal Park in partnership with Harlow's.
- Social Media management for Midtown Sutter accounts on Facebook, Instagram, and Twitter.
- Refresh design and branding of Midtown Sutter including new banners.
- Continued support of the Farm to Fork Al Fresco program.
- Sponsorship for participation of District members in the Farm-to-Fort event on October 20, 2023.

Advocacy and Administration projects included:

- A fairly allocated share of overhead expenses.

Exhibit A: Map



# Sutter Business Improvement Area Annual Budget

Fiscal Year 2023/24

	BIA
<b>Resources</b>	
Beginning Reserves	\$ 95,000.00
Other Revenues	\$ -
Business Tax Collections/ County Billing	\$136,000.00
<b>Total Resources</b>	<hr/> <hr/> \$231,000.00
<b>Expenses</b>	
Maintenance, Lighting & Safety	
Maintenance & Streetscape	\$ 4,056.00
Lighting and Prevention	\$ 95,000.00
City Police	\$ 14,888.00
<b>Total Lighting &amp; Safety</b>	<hr/> \$113,944.00
Placemaking Arts & Events	
Pilot Projects	\$ 83,376.00
<b>Total Placemaking Arts &amp; Events</b>	<hr/> \$ 83,376.00
Advocacy & Administration	
PR & Marketing	\$ 30,632.00
Administration	\$ 9,000.00
<b>Total Advocacy &amp; Administration</b>	<hr/> \$ 39,632.00
<b>Total Expenses</b>	<hr/> <hr/> \$236,952.00

**BUSINESS IMPROVEMENT AREA FEES:**

**ANNUAL FEES AS OF April 7, 2023**

<b>SUTTER BIA:</b>	<b>Minimum Occupancy Assessment Fee:</b>	<b>\$83</b>	<b>Maximum Occupancy Assessment Fee:</b>	<b>\$833</b>
Assessment (1.5% of total Prepared Food Sales)				
Establishment Occupancy		Monthly Charge		
Greater than 200		\$833		
150-200		\$416		
90-149		\$83		
48-89		Zero		
Less than 49		Not Assessed		

# BUSINESS IMPROVEMENT AREA ANNUAL REPORT CHECKLIST

FY 2023-2024

BIA NAME: Sutter Business Improvement Area CONTRACT # 2009-0606

AUTHORITY <small>(CS&amp;H Code Section)</small>	REQUIREMENT	PAGE FOUND
36533(b)	Specify BIA name	1
-Does the BIA name exactly match the previous year's BIA name? (Check one) YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>		
36533(b)	Specify fiscal year to which report applies	2023-2024
36533(b)(1)	Any proposed changes in the boundaries	No
36533(b)(1)	Any proposed changes in any benefit zones	No
-Do the boundaries and benefit zones exactly match the previous year? (Check one) YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> (If not, describe change(s) in the NOTES section)		
36533(b)(2)	The improvements and activities for that fiscal year	2-3
-Are the improvements and activities in line with the Annual Report? (Check one) YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>		
36533(b)(3)	An estimate of the cost of providing the improvements and activities for that fiscal year	4
- How does the overall budget compare to last year? (Check one) HIGHER <input type="checkbox"/> SAME <input type="checkbox"/> LOWER <input checked="" type="checkbox"/>		
- What is the greatest change (by percentage) between line items from last year to this year <u>78%</u>		
36533(b)(4)	The method of levying the assessment in sufficient detail to allow each business owner to estimate the amount of the assessment to be levied against their business for that fiscal year	1
36533(b)(4)	The basis of levying the assessment in sufficient detail to allow each business owner to estimate the amount of the assessment to be levied against their business for that fiscal year	1
-Does the Method and Basis match the Annual Report? (Check one) YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>		
-Is there a CPI increase for this year? (Check one) YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>		
-If so: What is the rate? _____		
36533(b)(5)	The amount of any surplus revenues to be carried over from the previous fiscal year	0
-Is the surplus identified for use in specific categories? (Check one) YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> yes, What category(ies) _____		
36533(b)(5)	The amount of any deficit revenues to be carried over from a previous fiscal year	150,000
36533(b)(6)	The amount of any contributions to be made from sources other than assessments levied pursuant to this part	
-Are the contributions identified for use in a specific category? (Check one) YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>		
-Did an authorized representative of the nonprofit Board sign the report? (Check one) YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>		
-Does the report state the date the Board approved the Report/Budget? (Check one) YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>		

NOTES: