

RESOLUTION NO. RES-2018-193

RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA APPROVING THE DOWNTOWN ACTION ORGANIZATION AS THE MANAGEMENT ORGANIZATION FOR THE DOWNTOWN COMMUNITY BENEFIT DISTRICT; APPROVING THE SANTA ROSA DOWNTOWN COMMUNITY BENEFIT DISTRICT MANAGEMENT AND DISBURSEMENT AGREEMENT; APPROPRIATING GENERAL AND PARKING DISTRICT FUNDS TO PAY CITY ASSESSMENT; AND AUTHORIZING THE FINANCE DEPARTMENT TO DISBURSE ASSESSMENT FUNDS

WHEREAS, Ordinance ORD-2018-004 authorizes the City to establish Community Benefit Districts (CBD) to promote the economic vitality and physical maintenance of mixed use and business districts in Santa Rosa; and

WHEREAS, the Ordinance authorizes the City to levy and collect assessments on real property within such districts for the purpose of providing improvements and promoting activities that specially benefit real property within such districts; and

WHEREAS, consistent with the process defined by the Ordinance, and codified as Santa Rosa Municipal Code Chapter 6-56 Article V, on July 17, 2018, the City Council adopted Resolution No. RES-2018-121 approving the formation of the Santa Rosa Downtown Community Benefit District of 2018 (“District”); and

WHEREAS, the Management District Plan and Engineer’s Report that provide the legal basis for the District describe and set forth the intended particular and special benefits the property owners in the District will receive through activities and improvements to be provided by the Downtown Action Organization (“DAO”) through implementation of the Management District Plan; and

WHEREAS, the Management District Plan improvements will be funded through an annual levy of special assessments upon real property within the District commencing on December 1, 2018, and continuing in perpetuity or until the property owner petition and vote to remove the district; and

WHEREAS, the DAO is a California non-profit public benefit corporation that was established to be the management organization for the new downtown District; and

WHEREAS, the DAO Board of Director Bylaws (Exhibit A) state that the number of board members will be fifteen, with at least two-thirds of the Board seats filled by owners of real property within the boundaries of the District, and up to one-third of the seats filled by owners of businesses or residents within the District boundaries; and

WHEREAS, the DAO is responsible for implementing the Management District Plan using the funds assessed and collected primarily by the County of Sonoma through property tax bills, and disbursed to the DAO through the City, thus necessitating a management and disbursement agreement (Exhibit B); and

WHEREAS, the City and DAO desire to enter into an agreement in order to coordinate

their respective activities necessary for the successful operation, administration and implementation of the Management District Plan and District improvements; and

WHEREAS, the duties the DAO is expected to perform are described in the Management District Plan (attached to Exhibit B), as are the method, details and means of performing the disbursement duties of District revenues; and

WHEREAS, property within the District that is owned by the City of Santa Rosa is also assessed, with the year one assessment set at \$137,066.74 comprised of \$21,506.74 from the General Fund and \$115,560 from the Downtown Parking District; and

WHEREAS, the City may pay its portion of the District assessment prior to the December tax bill deadline.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Santa Rosa approves the Downtown Action Organization as the management organization for the Santa Rosa Downtown Community Benefit District.

BE IT FURTHER RESOLVED that the Council approves the Santa Rosa Downtown Community Benefit District Management and Disbursement Agreement between the City of Santa Rosa and the Downtown Action Organization in substantially the same form as Exhibit B to the Resolution, subject to approval as to form by the City Attorney.

BE IT FURTHER RESOLVED that the Council increases appropriations in the Economic Development key 080501-5321 by \$137,066.74, with the source of funds being \$21,506.74 from the unassigned reserves of the General Fund and \$115,560.00 from the unassigned reserves of Parking District Fund 1641.

BE IT FURTHER RESOLVED that the Council authorizes the disbursement of assessment funds from the Economic Development key 080501-5321 beginning with the City of Santa Rosa's year one property assessment amount of \$137,066.74.

IN COUNCIL DULY PASSED this 30th day of October, 2018.

AYES: (5) Vice Mayor Rogers, Council Members Olivares, Sawyer, Schwedhelm, Tibbetts

NOES: (0)

ABSENT: (2) Mayor Coursey, Council Member Combs

ABSTAIN: (0)

ATTEST: _____
City Clerk

APPROVED: _____
Vice Mayor

APPROVED AS TO FORM:

City Attorney

Exhibit A – Downtown Action Organization Bylaws
Exhibit B – Management and Disbursement Agreement