

# Community Benefit District **Enabling Ordinance**

Adding Article V to Santa Rosa  
City Code Chapter 6-56

City Council – March 13, 2018

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# Background

## 1. Downtown Business Interest

- PBID interest submitted by Coalition to Restore Courthouse Square & SR Chamber of Commerce
- Group evolved into the DAO – Downtown Action Organization

## 2. New City America, Consultant

- City hired special benefit district formation consultant
- Recommended change from PBID to CBD

## 3. Increased Interest

- Introduction and updates at Downtown Subcommittee sparked additional interest
  - Initial CBD to be proposed around Courthouse Square area
  - Additional interest voiced by Railroad Square area and “midtown” Fourth St.

# Comparisons

## Community Benefit District vs. Business Improvement District

### **CBD – Community Benefit District**

- Alternative model allowable as a Charter City
  - *same principles and legislation as BIDs*
- Considers all land uses as benefiting from assessment districts, including residential
  - *Acknowledges the changing nature of downtowns*
- More flexibility for assessment methodology
- Allows for multiple districts to be formed under one ordinance

### **BID – Business Improvement District**

- Formed under the CA Streets and Highway Code – PBID Law of 1994
- Focuses on businesses; less flexibility around varied land uses
- Excludes residentially zoned parcels
- More restrictive assessment methodology
- Maximum 1<sup>st</sup> term of 5 years

# City Code: Chapter 6-56

## Title 6: Business Taxes, Licenses and Regulations Chapter 6-56: Business Improvement Areas

### **Proposed Article V Community Benefit Districts:**

- **Establishment** of district is at the will of Council
- Council may **initiate** upon submission of a written petition
- Any benefiting property, regardless of zoning, is subject to **assessment**
- **Duration** is allowed in perpetuity, or a time set by benefiting property owners
- Council may **disestablish** the district by resolution upon receipt of a written petition
- Adoption and implementation of the enabling ordinance are exempt from **CEQA**

# CBD: Recommendation

It is recommended by the Planning and Economic Development Department that the Council adopt an ordinance amending City Code Section 6-56, adding Article V enabling the establishment of Community Benefit Districts.