

## RESOLUTION NO. 19-119

### **Resolution Of The City Council Of The City Of Emeryville Establishing The Fiscal Year 2019-20 Property And Business Improvement District (“PBID”) Annual Assessment Levy For The Respective Parcels Within The Improvement District With An Increase Of 5% On All Parcels, And Approving The Preliminary Budget Submitted By The Emeryville Transportation Management Association (“ETMA”) For Service Year 2020**

**WHEREAS**, the City Council established the Citywide Property and Business Improvement District (“PBID”) to fund the Emery Go-Round Shuttle and other alternative transportation programs on July 31, 2001 in accordance with the Property and Business Improvement District Law of 1994 (Section 36600 et. seq. California Streets and Highways Code) (the “PBID” Law); and

**WHEREAS**, on July 18, 2006, the City Council adopted Resolution No 06-141 extending the PBID for another ten years through FY 15-16 (service/calendar year 2016); and

**WHEREAS**, on August 4, 2015, the City Council adopted Resolution No. 15-103 extending the PBID for another 15 years through FY 2029-30 (service year 2030); and

**WHEREAS**, the City Council is authorized under PBID law to set the annual assessment levy based upon the budget submitted by the Emeryville Transportation Management Association (“ETMA”) acting as the PBID’s owner’s association as defined in Section 36614.5 of California Streets and Highways Code; and

**WHEREAS**, the ETMA has recommended a FY 2019-20 annual PBID levy assessment with a 5% increase because costs have increased 5% per year on average and reserves will be used to develop a new bus yard, and the PBID Management Plan approved in 2015 allows for increases in the assessment up to 5% greater than the prior year’s assessment; and

**WHEREAS**, the ETMA has submitted a preliminary budget that was approved by the ETMA Board on June 25, 2019, for service year 2020 for submittal to the City Council as required by PBID Law; and

**WHEREAS**, City staff recommends that the City Council approve the 2020 preliminary budget as a basis for determining the PBID assessment levy for FY 2019-20; now, therefore, be it

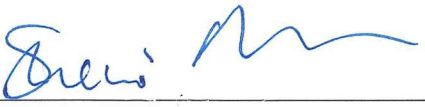
**RESOLVED**, that the City Council of the City of Emeryville hereby establishes the Fiscal year 2019-20 PBID assessment levy increase of 5% on all parcels and levies annual assessments for the respective parcels within the improvement district for FY 2019-20; and be it further


**RESOLVED**, that the City Council of the City of Emeryville hereby approves the preliminary Emeryville Transportation Management (ETMA) budget for service year 2020 as a basis for determining the PBID levy.

**ADOPTED** by the City Council of the City of Emeryville at a regular meeting held Tuesday, July 23, 2019, by the following vote:

AYES:	<u>5</u>	Mayor Medina, Vice Mayor Patz, and Council Members Bauters, Donahue, and Martinez
NOES:	<u>0</u>	_____
ABSTAIN:	<u>0</u>	_____
ABSENT:	<u>0</u>	_____

  
\_\_\_\_\_  
MAYOR

ATTEST:  
  
\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:  
  
\_\_\_\_\_  
CITY ATTORNEY

2020 Preliminary Budget

EMERY GO-ROUND

Revenue	2019			2020			Notes
	Budgeted Revenue	Actual Revenue to Date <i>as of 5/31/19</i>	%	Anticipated Revenue <i>(0% Increase)</i>	Anticipated Revenue <i>(3% Increase)</i>	Anticipated Revenue <i>(5% Increase)</i>	
<b>PBID Revenue</b>							
PBID Revenue	3,668,129			3,668,129	3,778,173	3,851,535	1.7% of assessment to County Assessor + \$24,500 to City for legal and administrative fees.
District Related Costs	(86,858)			(86,858)	(88,729)	(89,976)	
<b>Net PBID</b>	<b>3,581,271</b>	<b>1,790,636</b>	<b>50%</b>	<b>3,581,271</b>	<b>3,689,444</b>	<b>3,761,559</b>	
<b>Non-PBID Revenue</b>							
City of Emeryville - General Benefit Contribution	637,728	318,864	50%	528,962	528,962	528,962	Assumed 12.29% of Total Budget (excluding capital cost for construction of operations facility).
City of Emeryville - Emery Go Round Bus Yard (CIP)	-	-	0%	1,000,000	1,000,000	1,000,000	
ETMA Billed Revenue	101,320	2,957	3%	101,320	104,360	106,386	
BGTMA Revenue	45,000	(12,162)	-27%	45,000	45,000	45,000	
Misc. Revenue (Charter services, interest income, etc.)	3,000	68,282	2276%	3,000	3,000	3,000	
<b>Subtotal Non-PBID Revenues</b>	<b>787,048</b>	<b>377,942</b>	<b>48%</b>	<b>1,678,282</b>	<b>1,681,321</b>	<b>1,683,348</b>	
<b>Total Revenue</b>	<b>4,368,319</b>	<b>2,168,577</b>	<b>50%</b>	<b>5,259,552</b>	<b>5,370,765</b>	<b>5,444,907</b>	

Expenditures	2019			2020			ASSUMPTIONS
	Budgeted Expenditures	Actual To Date <i>as of 5/31/19</i>	%	Proposed Expenditures			
<b>Direct Costs</b>							
Bus Leases/Purchases	500,000	188,550	38%	515,000			Assume no acquisitions in 2020.
Bus Maintenance	340,000	127,441	37%	300,000			
Operations Contract	2,300,000	882,207	38%	2,400,000			Assume no change in level of service.
Fuel	300,000	77,443	26%	300,000			Real-time tracking system, driver radios & automated passenger counter's. Route guides, bus stop sign replacements, rider alert postings, etc.
Communications	180,000	2,998	2%	60,000			
Miscellaneous Operating Costs	15,000		0%	15,000			
<b>Subtotal Direct Costs</b>	<b>3,635,000</b>	<b>1,278,640</b>	<b>35%</b>	<b>3,590,000</b>			
<b>Indirect Costs</b>							
Professional Services	490,000	116,828	24%	500,000			Includes all management, accounting, website & legal service contracts. Existing lease and license agreement, utilities, yard maintenance expenses.
Occupancy (Bus Yard, Site Expenses)	150,000	57,332	38%	150,000			
Site Development - Long Term Bus Yard	850,000	63,922	8%	2,200,000			Construction of new operations facility. Preliminary engineers estimate is \$2.92M. Assume a portion of costs to expended in 2019. Annual Report, Annual Membership Meeting Invitations & Rider Satisfaction Survey.
Membership & Public Outreach Materials	15,000	2,410	16%	15,000			
Pilot Projects and Research	25,000	-	0%	25,000			Allowance for implementation of new transit enhancements. Commercial, Directors & Officers and Special Form Property Coverage. Shuttle Operations Workshop, office expenses, etc.
TMA Insurance	20,000	12,569	63%	20,000			
Conferences, Meetings, Office Expenses	4,000	865	22%	4,000			
Bus Yard - Site Development & Project Management			#DIV/0!				
<b>Subtotal Indirect Costs</b>	<b>1,554,000</b>	<b>253,926</b>	<b>16%</b>	<b>2,914,000</b>			
<b>TOTAL BUDGET/EXPENSES</b>	<b>5,189,000</b>	<b>1,532,565</b>	<b>30%</b>	<b>6,504,000</b>			
<b>2017-2018 Estimated Balance/Overrun</b>	<b>(820,681)</b>			<b>(1,244,448)</b>	<b>(1,133,235)</b>	<b>(1,059,093)</b>	

Cash Balance Summary (2018-2019)	0% Increase	3% Increase	5% Increase
Carryover Cash Balance (as of Jan 1, 2019)	\$ 2,659,113	\$ 2,659,123	\$ 2,659,113
2019 Estimated Budget Overrun	\$ (820,681)	\$ (820,681)	\$ (820,681)
Projected Cash Balance on Dec 31, 2019	\$ 1,838,432	\$ 1,838,442	\$ 1,838,432
<b>2020 Projected Shortfall</b>	<b>\$ (1,244,448)</b>	<b>\$ (1,133,235)</b>	<b>\$ (1,059,093)</b>
Total Projected Cash Balance on Dec 31, 2020	\$ 593,984	\$ 705,207	\$ 779,339

Note: Minimum Operating Reserve is 15% of Operating Expenses (\$645k for 2020).