

Chico Enterprise-Record (<http://www.chicoer.com>)

Chico council gives go-ahead on downtown business district voting

By Laura Urseny, Chico Enterprise-Record

Tuesday, May 16, 2017

Chico >> A possible way for downtown Chico to improve safety and clean up the sidewalks received the blessing of the Chico City Council on Tuesday, but not unanimously.

And downtown property owners still must vote on the formation of a property-based improvement district.

Championed by several private property owners, the proposed district would assess downtown property owners in a roughly 45-block area, then use that revenue to improve the appearance and safety of downtown beyond what the city already does.

As a property owner, the city would be subject of an assessment too.

According to a staff report, the city would be looking at an annual assessment of \$68,925.41 based on its downtown properties, from parking lots to city hall. The city's assessment amount would be paid from parking fines revenue, according to Assistant City Manager Chris Constantin.

City Manager Mark Orme was given the authority by the council to sign a petition supporting the district, to vote in support of forming the district when a ballot comes to the city as a property owner member, and to establish the district. In addition, the city clerk will have to verify that sufficient downtown property owners have signed the petitions in support of voting on the district.

Objections

Councilor Randall Stone opposed the related measures, noting that by paying the assessment out of the general fund, Chico would have to find other revenue resources to replace that expenditure.

City Councilor Ann Schwab recused herself because of conflict in owning a downtown business, and Councilor Karl Ory was absent.

Downtown property owner Tom Hall opposed the district because he said there were many downtown property owners who, like him, were just hearing about it. He pointed out the hardship that the district would place on him, by increasing what he pays in taxes or fees.

Several councilors noted that downtown business owners could suffer if the property owners raise their rents to cover the cost of the assessment.

District advocate Tom DiGiovanni said downtown businesses and property owners have been working for years to form such a district, which now has the support of more than a majority of property owners. They realize that passing costs onto their tenants would be foolish. DiGiovanni said that forming a district seems like the only option to address downtown's problems from vagrancy and crime to trash.

The proposed annual budget of \$458,000 would cover the downtown Clean and Safe program, safety patrol, Stewardship Ambassadors, graffiti removal, plus economic development processes, and administration of the

district by a board of property owners..

The district would sunset after five years, but could be renewed.

The district would be managed by a nonprofit organization that will act as an owners association composed of a majority of downtown property owners, but councilors said they wanted to see property owners primarily on the board.

Along with city property, the proposed district also covers state property, including Chico State University, at about \$8,500 assessment, and federal property — the post office — at \$2,300 assessment.

Petitions

Property owners are already signing petitions in support of the district, DiGiovanni said.

According to a downtown report, a “significant majority” of property owners contacted rated safety and sidewalk maintenance as the top in-demand services they would be willing to pay for.

In supporting the district, Councilor Mark Sorensen noted the city has no methods to tackle downtown’s current problems with vagrancy and vandalism.

The ballots are expected to be mailed out to the property owners about mid-May, and the council will conduct a hearing and count ballots in late June.

The Downtown Chico Business Association and Chico Chamber of Commerce support the district’s formation. More information about the PBID proposal is available in the [council’s agenda](#).

Marijuana ordinance

The council agreed to pass the draft marijuana ordinance, considered land use regulations, to the Planning Commission, which will take public comments and define the regulations further. Several people spoke against the ordinance, which bans commercial growing, sets up a permitting and regulatory process for indoor grows, and regulates locations where smoking marijuana is illegal.

The regulations do not allow outdoor recreational cultivation, which Schwab and Stone were supportive of, citing fire danger and power use from inside cultivation.

Contact reporter Laura Urseny at 896-7756.

URL: <http://www.chicoer.com/government-and-politics/20170516/chico-council-gives-go-ahead-on-downtown-business-district-voting>

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