



# 2023/24 Annual Report

## INTRODUCTION

The following review is the twelfth Handle District Annual Report since the creation of the district in 2011 (the 2011/12 the report covered nine months of operations and assessment collections), and the seventh report since the renewal of the district in 2016. It is a year-end summary of the HBIDs' activities and finances, and a preview of planned expenditures for the upcoming fiscal year. In addition to the financial overview, this report highlights ongoing programs and projects. The pandemic recovery continues, with the first half of 2023 presenting new challenges for Handle businesses. The HBID has committed to a hands-on maintenance program, exploring even more improvement projects and to supporting an enhanced patio dining program.

## FINANCIAL OVERVIEW

Management District Plan (MDP) - the MDP is the governing plan for the Handle District. It outlines the assessment methodology and collection details. Originally approved by Sacramento City Council in the Summer 2011, it was updated in 2012 to provide additional clarification. In 2016, the district was renewed as a "restaurant" only district, consisting of 18 food establishments.

Assessment - The 17 food and beverage establishments in the Handle (at the time of this report four locations are transitioning to new businesses) collect 1.5% on each food purchase (excluding alcohol). The organization sends assessment information to each new business operator monthly, and periodic updates (reminders and overviews) to businesses each year.

Accounting Practices - the HBID board contracts with a professional accountant for daily monitoring, oversight and collection of assessment funds, a process that also includes the preparation of an annual tax return for the organization. Accounting information, including budgets, expenditures and balances, are available for review by any Handle business or interested party. Financial decisions are made at noticed Board of Directors meetings held on the third Wednesday of every other month.

2023/24 Budget - the organization's budget coincides with the calendar year. The budget is reviewed in draft form at two consecutive meetings and approved at the December Board of Director's meeting. The original estimate of assessments to be collected, under the current Management District Plan, is \$200,000/year. This total has fluctuated over the past six years, in particular during the pandemic years. For the upcoming budget year we estimate the collected and remitted assessments will be about \$225,000 (based on 2022 and 2023 data).



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In 2022 the district was awarded a \$100,000 County of Sacramento ARPA grant to support additional services during the pandemic. The grant funds were used to partially replenish reserves and project funds that supported the Al Fresco program in 2021 and 2022. A more detailed breakdown of the budget allocations is shown below.

Note: the Handle’s Board-approved, annual budget shows additional program details (line items) not listed below. The annual budget exercise is a good opportunity to gather input, share information and review improvement programs.

Reserves - The Handle has approximately \$150,000 in reserve funds. These funds have accumulated over the past few budget cycles and have historically been used to pay for higher cost improvement projects (lighting, trash cans, etc.). Once again, the reserves were used heavily during the pandemic (2020-22) to support the AF Program.

**Service Plan Budget Summary - Calendar Years 2017 - 2026**

<b>Service</b>	<b>Year 1 Percent</b>	<b>Year 1 Amount</b>
<b>Streetscape and Safety Projects</b>	25%	\$50,000
<b>Marketing, Advertising and Special Events</b>	50%	\$100,000
<b>Administrative and Operations</b>	10%	\$20,000
<b>Assessment Collection /City Services</b>	6%	\$12,000
<b>Contingency / Renewal</b>	9%	\$18,000
<b>TOTALS</b>	<b>100%</b>	<b>\$200,000</b>

## **PROGRAMS**

The organization continues to develop new programs to benefit HBID restaurants. With the adoption of the new district in 2016, marketing, events and promotion programs became a higher priority. Although many of the large events have not been scheduled since the pandemic, the Board continues to support events in the district (from St. Baldricks, Second Saturday and Sacramento Walk of Stars, to special events hosted by businesses (movie nights, makers markets, etc.).

Maintenance - the maintenance crew is very active in the district during the week and is one of the most popular services for businesses in the Handle (trash pickup, special event support, graffiti abatement, sidewalk power washing and other maintenance services).

Advocacy - the organization continues to advocate for and promote a number of local efforts, including lighting improvements, pedestrian safety projects, parking



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enhancements, community events and other projects that positively impact Midtown and the HBID.

## **PROJECTS**

The HBID (and partners) coordinates an attractive streetlight (pole) banner program, installs and maintains 40 hanging flower baskets, services six pet waste bag dispensers and nearly 20 custom trash cans. We started an alley beautification project in late 2019, but it was put on hold in 2020. We re-started the planning effort in early 2023.

The Handle continues to add bike racks and corrals (more than 80 bike parking spaces are now in the district - a one square block area) and we have been closely monitoring and advocating for a number of pedestrian safety projects. The organization's internet presence and social media programs continue to flourish, with 10,000 followers. The district circulates high quality informational and promotional materials each year to new property owners in midtown. A "district successes" report was prepared in 2021, and updated in 2022, it highlights activities in the district over the past ten years (it is available upon request).

The Handle AI Fresco (AF) project became the organization's top priority in 2020 and the commitment continues to this day. More than \$300,000.00 has been contributed by the Handle District. In late 2021 the district initiated an expanded, long-term parklet program to build on the success of the temporary AF patios.

Please contact Seann Rooney, Executive Director at (916) 765-5052 or by email at [handlestaff@gmail.com](mailto:handlestaff@gmail.com) for more information on programs and projects.

Sincerely,

A handwritten signature in blue ink that reads "James L. Johnson". The signature is written in a cursive style with a large, looped "J" and "L".

Jimmy Johnson, President, Board of Directors (Co-owner, Zocalo)