



2024/25 Annual Report

INTRODUCTION

The following review is the thirteenth 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 eighth 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 2024 presenting new challenges for Handle businesses. The HBID has committed to a hands-on maintenance program, to supporting clean and safe projects and to exploring new improvement projects in the one-square-block district.

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.

Assessment Collection and Accounting Practices – in early 2024 the HBID board, in partnership with the City of Sacramento's Revenue Division, re-vamped the assessment collection and remittance process. The City, who has collected assessment remittances since the inception of the district, assumed additional responsibilities with respect to collections. The Handle organization contracts with a professional accountant for daily monitoring and oversight, this 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.

2024/25 Budget - the organization's budget coincides with the calendar year. A draft of annual budget is reviewed at two consecutive meetings in the fall, with final approval at the December Board of Director's meeting. The original estimate of assessments to be collected, as outlined Management District Plan, was \$200,000/year. This total has



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fluctuated over the past seven years, in particular during the pandemic years. For the upcoming budget year we estimate the collected and remitted assessments will be about \$240,000 (based on 2023 data).

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 AI 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 process is a good opportunity to gather input, share information and review improvement programs.

Reserves - The Handle has approximately \$175,000 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.). The Board will be making two large purchases in 2024, including a \$45,000 purchase of new trash cans.

Service Plan Budget Summary - Calendar Years 2017 - 2026

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

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 larger events have not been scheduled since the pandemic (the Dress Up – Wine Down event successfully returned in Spring 2024), the Board continues to support events in the district, from St. Baldricks, Second Saturday and the 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



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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 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 continue to dedicate resources to helping maintain the Liestal Alley.

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 and 2023, it highlights activities in the district over the past ten years (it is available upon request).

The Handle Al Fresco (AF) project became the organization's top priority from 2020-2022 and the commitment continues to this day. More than \$350,000.00 has been contributed by the Handle District.

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

Sincerely,

A handwritten signature in cursive script that reads "James L. Johnson".

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