



Mr. Michael Middelton
Community Development Department
County of Sacramento
827 7th Street, Room 305
Sacramento, CA 95814

Dear Mr. Middelton,

In accordance with our implementation agreement, please accept the Antelope Business Community District (ABC District) Annual Report for Fiscal Year 2026. This report outlines district operations, financial performance, and strategic direction, while demonstrating continued commitment to safety, maintenance, and economic stability within the district.

1. Executive Summary

The ABC District continues to evolve beyond a traditional PBID model, operating as a fully integrated security, maintenance, and workforce development system.

Key Highlights

- Total 2026 Assessment revenue: \$355,457
- 2026 anticipated Clean Team revenue: \$89,000
- Security Response Time: Under 5 minutes
- Patrol Hours: 5,096
- Referrals to Assistance: 2,644

The district continues to demonstrate measurable impact through a balanced model of enforcement, maintenance, and outreach—three functions that operate in coordination rather than isolation.

Enforcement establishes clear expectations and accountability within the district. Through consistent patrol presence, rapid response times, and the appropriate use of citations and trespass enforcement, the district reduces repeat offenses and prevents the escalation of illegal activity.

This work is strengthened through close coordination with the Sacramento County District Attorney's Office, ensuring that enforcement actions are supported by consistent follow-through and prosecutorial alignment when necessary. In addition, the district has found the CORE program to be a highly effective complement to enforcement efforts. By providing structured diversion and service pathways for eligible individuals, CORE helps address underlying issues while reinforcing accountability.

Together, this coordinated approach—combining on-the-ground enforcement, prosecutorial support, and diversion opportunities—creates a balanced system that reduces recidivism, improves compliance, and contributes to sustained public safety outcomes within the district.

Maintenance reinforces these efforts by addressing the physical conditions that contribute to disorder. Immediate removal of trash, graffiti, and encampment debris eliminates environmental cues that attract further misuse of space, supporting a clean and controlled commercial environment.

Outreach ensures that enforcement actions are paired with long-term solutions. By connecting individuals to structured programs and services, the district reduces recurring calls for service while creating pathways toward stability and employment.

The integration of these three functions produces a compounding effect:

- Enforcement reduces immediate risk
- Maintenance prevents environmental decline
- Outreach addresses root causes

Together, this model not only improves day-to-day conditions but also drives sustained reductions in disorder, lowers demand on public resources, and enhances the overall economic stability of the district.

2. District Boundaries and Assessment Structure

There are no proposed changes to:

- District boundaries
- Benefit zones
- Assessment methodology

The district will continue operating under its current structure to ensure consistency and service continuity.

3. Security Operations and Impact

Operational Performance

- Patrol Hours: 5,096
- Average Response Time: Under 5 minutes
- Overnight Door Checks: 3,650

Enforcement Activity

- Trespass Notices (602s): 336
- Citations Issued: 201
- Arrests Confirmed: 122

Area Management

- Encampments Addressed: 822
- High-Activity Location Calls: 506

- Referrals to Assistance: 2,644
- Security Trainings Conducted: 3

Impact Summary

Reduce reliance on Sheriff resources

Dedicated district security provides consistent, on-the-ground coverage for routine issues—trespassing, loitering, nuisance activity, and quality-of-life concerns. By handling these lower-level calls, the program frees up Sheriff deputies to focus on higher-priority criminal enforcement and emergency response. This creates a more efficient public safety ecosystem without increasing demand on county resources.

Improve response times

With patrol units focused exclusively within district boundaries, response is immediate and proactive rather than reactive. Security teams are positioned to identify and address issues before escalation, reducing lag time associated with dispatch-based systems. Faster response leads to quicker resolution, reduced incident severity, and stronger day-to-day control of the environment.

Stabilize commercial areas

A visible and consistent security presence deters criminal behavior and disrupts patterns of disorder. Ongoing monitoring, reporting, and coordination with law enforcement help maintain cleaner, safer corridors. Over time, this consistency reduces repeat incidents, limits property damage, and creates a more predictable operating environment for tenants and property owners.

Increase business confidence

When businesses see active patrols, rapid response, and measurable improvements, confidence follows. Owners and tenants are more willing to invest, extend leases, and operate longer hours in a secure environment. This translates into higher occupancy, stronger tenant retention, and improved overall economic activity within the district.

4. Maintenance Operations

The district continues to provide daily maintenance services aligned with CPTED principles.

Core Services

- Trash removal and illegal dumping mitigation
- Graffiti removal
- Bulk item removal
- Landscape maintenance

Strategic Outcome

Crime reduction

Consistent maintenance removes the physical conditions that attract and sustain criminal activity. Trash accumulation, graffiti, and neglected spaces signal a lack of oversight and invite further misuse. By maintaining clean, well-managed environments, the district disrupts these patterns and reinforces a visible standard of order. This aligns with widely recognized principles of Crime Prevention Through Environmental Design (CPTED), where improved environmental conditions reduce opportunities for crime and discourage repeat offenses.

Property value stabilization

Well-maintained properties and surrounding public spaces directly influence market perception and asset performance. Clean, orderly environments protect against the decline typically associated with neglected areas, helping to preserve both current property values and long-term investment potential. Consistent maintenance also supports leasing activity by presenting properties in a condition that meets tenant expectations and reduces turnover risk.

Improved business conditions

A clean and orderly district enhances day-to-day operations for businesses. Customers are more likely to visit, stay longer, and return to areas that feel safe and well maintained. At the same time, business owners benefit from reduced operational disruptions, fewer maintenance-related complaints, and improved overall customer experience. These factors contribute to increased foot traffic, stronger sales performance, and a more stable commercial environment.

5. Clean Team Program

The Clean Team remains a central component of district operations, combining:

- Public space maintenance
- Workforce development
- Revenue generation
- Due to several unique opportunities, the Clean Team Maintenance Program generated more than \$170,000 in unrestricted operational revenue for the district in 2025. We anticipate a lower revenue level in 2026 due to changes in the business environment that have reduced certain income-generating opportunities.

Financial Contribution 2026

- 2026 Anticipated Annual Revenue: ~\$89,000

Strategic Position

The program allows the district to operate more efficiently while expanding its overall impact through a self-sustaining model that combines service delivery with workforce development. The funding reflected in this proposal is limited to revenue currently under contract. However, throughout the year, the maintenance team is expected to pursue additional project opportunities, creating the potential to match or exceed the 2025 maintenance revenue total of \$170,643.

Offset Operational Costs

Revenue generated through Clean Team service contracts directly supports core district functions, reducing reliance on assessment dollars. This approach allows the district to maintain high service levels while stabilizing its financial position and protecting property owners from additional financial burden.

Expand Services Without Increasing Assessments

By leveraging earned income, the district can scale maintenance and operational coverage beyond what assessment funding alone would support. This includes increased service frequency, expanded geographic coverage, and the ability to respond more quickly to emerging issues—all without requiring additional assessments from property owners.

Provide Pathways to Employment

The program creates structured, transitional work opportunities for individuals facing barriers to employment. Participants gain hands-on experience, develop job readiness skills, and receive consistent accountability, positioning them to move into full-time employment. This not only strengthens the workforce but also reduces long-term dependency on public systems.

6. Financial Overview

2025 Recap

The district experienced stronger-than-anticipated financial performance in 2025, with total revenue exceeding budget projections by nearly \$180,000. Increased maintenance and unrestricted service revenue contributed significantly to this growth, allowing the district to expand operational capacity and service delivery beyond original projections. While expenditures also increased to support expanded maintenance and security operations, the district remained financially stable and positioned to continue enhancing services throughout the district. 2026 Budget.

INCOME	2025	2025	2025	2026	2026	2026	MDP
	Budgeted	Actual	YE	Assessment	Total Assesment	Monthly	Percentage
Assesmet	\$ 341,875	\$ 339,173	\$ 2,702	\$ 352,130	\$ 354,832	\$ 29,569	
Admin	\$ 32,478	\$ 32,145	\$ 333	\$ 33,452	\$ 33,785	\$ 2,815	10%
vocacy/ Cont/Cap Improv	\$ 5,128	\$ 5,029	\$ 99	\$ 5,282	\$ 5,381	\$ 448	2%
Maintenance	\$ 30,769	\$ 30,436	\$ 333	\$ 31,692	\$ 32,025	\$ 2,669	9%
Security	\$ 273,500	\$ 270,938	\$ 2,562	\$ 281,704	\$ 284,266	\$ 23,689	80%
	\$ 341,875	\$ 338,548	\$ 3,327	\$ 352,130	\$ 355,457	\$ 29,621	100%

2026 Anticipated Revenue Breakdown

- Assessments: ~\$352,832
- Maintenance/Earned Revenue: ~\$89,000
- Other Contributions: ~\$37,500

2026 Projected Income	INCOME
Unrestricted	
SMUD	\$ 7,500
Outside Grants	\$ 30,000
Clean Team Revenue	\$ 89,000
Total Unrestricted Income	\$ 126,500

2026 Anticipated Expense Allocation

- Security: ~80% (\$283K)
- Maintenance: ~ 9% (\$158K)
- Admin/Advocacy: ~ 11% (\$39K)

2026 Total	Annual	Monthly
Assessment	\$ 354,832	\$ 29,569
Revenue (unrestricted)	\$ 126,500	\$ 10,542
	\$ 481,332	\$ 40,111
Admin	\$ 33,709	\$ 2,809
Advocacy/ Cont./Cap Improv	\$ 5,322	\$ 444
Maintenance	\$ 158,435	\$ 13,203
Security	\$ 283,866	\$ 23,655
	\$ 481,332	\$ 40,111

Annual Assessment Adjustment

In March 2026, the Antelope Business Community District board exercised its permitted annual assessment adjustment. During the March meeting, under a unanimous vote, the board approved the 3% assessment increase for the upcoming fiscal year.

Summary

- Strong equity positions
- Low liability exposure
- Stable operational footing

7. Contributions Beyond Assessments

The district continues leveraging partnerships to extend impact:

- SMUD Contribution: \$7,500 annually
- Maintenance Contracts: ~\$89,000 under contract
- Operational Partnerships and Cost Offsets

SMUD Contribution: The district secures a recurring annual contribution of \$7,500 from SMUD, reinforcing community partnership and helping offset specific district initiatives.

Maintenance Contracts: These are projected to generate approximately \$89,000 annually, leveraging service agreements for consistent revenue streams that support district upkeep and improvement.

Operational Partnerships and Cost Offsets: Through strategic partnerships, the district mitigates operational costs—whether via shared resources or joint initiatives—ensuring financial efficiency while expanding services.

These partnerships reduce dependency on assessments and support long-term sustainability.

8. Prior Year Accomplishments

- Expanded security patrol coverage
- Expanded Clean Team operations
- Conducted CPTED-based lighting and security assessments
- Developed new maintenance agreements with property owners
- The Board of Directors completed a SWOT analysis on the district

Expanded security patrol coverage: The district increased patrol hours and geographic coverage, enhancing safety and response capabilities for businesses and public areas.

Expanded Clean Team operations: Clean Team services were broadened to additional zones, ensuring more consistent public space maintenance and increased beautification efforts.

Conducted CPTED-based lighting and security assessments: The district implemented Crime Prevention Through Environmental Design assessments, improving lighting and security measures across properties.

Developed new maintenance agreements with property owners: Customized agreements were established with property owners, ensuring clear expectations for maintenance standards and responsibilities.

The Board of Directors completed a SWOT analysis on the district: A thorough Strengths, Weaknesses, Opportunities, and Threats analysis was finalized, providing strategic insights for future district planning.

These accomplishments reflect a year of disciplined growth and measurable progress across all core service areas. The district successfully strengthened its operational capacity while maintaining strong support from property owners, as demonstrated through the renewal outcome. Expanded security and maintenance services, combined with targeted CPTED assessments and new service agreements, have improved overall conditions, increased responsiveness, and reinforced long-term stability. Collectively, these efforts position the district to build on its momentum, sustain current gains, and continue delivering consistent, high-value results to stakeholders.

9. Strategic Direction (2026–2027)

Operational Priorities

- Expand security presence in high-activity areas
- Increase Clean Team contracts
- Strengthen property owner engagement

Financial Priorities

- Grow earned revenue
- Reduce reliance on external funding
- Maintain disciplined cost structure

Strategic Positioning

These priorities reinforce a model built on self-sustainability, predictability, and controlled growth—allowing the district to expand impact while protecting financial stability.

10. Risk and Sustainability

Key Risks

- Increasing service demand
- Workforce scaling constraints
- Fuel costs impacting the maintenance budget

Mitigation Strategy

- Expand contract-based revenue
- Strengthen partnerships
- Maintain conservative financial management

Strategic Takeaway

The district’s primary risk is not decline—it’s unmanaged growth. Demand is a positive signal, but it must be matched with disciplined scaling, diversified revenue, and tight cost control to protect long-term sustainability.

11. Business Value to Property Owners

The ABC District delivers measurable return:

- Reduced illegal dumping and cleanup costs
- Increased safety and reduced liability
- Improved tenant retention and customer activity

- Faster response to issues

Strategic Impact

The district's value is both cost avoidance (reduced cleanup, fewer incidents, lower liability) and revenue support (tenant retention, increased foot traffic, stronger business performance). Together, these outcomes position the district as a net positive investment for property owners.

12. Conclusion

The ABC District is operating at its strongest level to date, with:

- Expanded budget and services
- Proven operational model
- Growing financial independence
- Measurable impact across security, maintenance, and outreach

The Antelope Business Community District (ABC District) continued to demonstrate strong operational growth and measurable community impact during Fiscal Year 2026 through its integrated approach to security, maintenance, and workforce development. With a total budget of approximately \$444,327, the district expanded patrol coverage, maintained rapid response times under five minutes, addressed over 800 encampments, and generated nearly \$89,000 in earned revenue through its Clean Team program. By combining proactive enforcement, environmental maintenance, and outreach services, the district improved public safety, reduced disorder, stabilized commercial areas, and strengthened business confidence throughout the district. Strategic partnerships disciplined financial management, and expanded service programs further reinforced the district's long-term sustainability and positioned the organization for continued growth while maintaining a strong commitment to property owners, tenants, and the broader community.

Respectfully Submitted,

Chris Evans
Executive Director
Antelope Business Community District