



DATE: August 29, 2012

TO: Downtown Business Improvement Area Advisory Board

FROM: Gloria Ortega
Redevelopment Successor Agency Project Manager

SUBJECT: Updated August DBIA Packet

The August DBIA Packet has been updated and replaced with the revised one that is attached. Please disregard the previous packet and materials.

Prepared by:

Gloria Ortega, Redevelopment Successor Agency Project Manager

**DOWNTOWN HAYWARD BUSINESS IMPROVEMENT AREA
ADVISORY BOARD**

SPECIAL MEETING

**August 29, 2012
8:00 a.m. – 9:00 a.m.**

**Room 2A
Hayward City Hall
777 B Street
Hayward, CA 94541**

AGENDA

- I. Call to order
- II. Roll call
- III. Public Comments: *(The Public Comments section provides an opportunity to address the Downtown Hayward Business Improvement Area Advisory Board on items not listed on the agenda. The Advisory Board welcomes your comments and requests that speakers present their remarks in a respectful manner, within established time limits, and focus on issues which directly affect the City or are within the jurisdiction of the City. As the Advisory Board is prohibited by State law from discussing items not listed on the agenda, your item will be taken under consideration and may be referred to staff.)*
- IV. Approval of Meeting Minutes from March 1, 2012
- V. Approval of Meeting Minutes from April 4, 2012
- VI. Update on Economic Development Strategic Plan: Fran Robustelli, Human Resources Director; Sean Brooks, Economic Development Manager
- VII. DBIA Budget and Annual Report: Gloria Ortega, Successor Agency Project Manager
- VIII. Update on Contracts: Pressure Washing, Banners, and Downtown Tree Lights: Gloria Ortega, Successor Agency Project Manager
- IX. DBIA Membership Meeting & Member Survey: Gloria Ortega, Successor Agency Project Manager
- X. Refresher on Public Meeting Guidelines
- XI. Next Meeting
 - a) Regular Meeting and All Member Meeting October 3, 2012
- XII. Future Agenda Items
 - a) TBD
- XIII. Adjournment

Assistance will be provided to those requiring accommodations for disabilities in compliance with the Americans with Disabilities Act of 1990. Please request the accommodation at least 48 hours in advance of the meeting by contacting the Redevelopment Successor Agency at 583-4260 or by using the TDD line for those with speech and hearing disabilities at (510) 247-3340.

**MINUTES
DOWNTOWN HAYWARD BUSINESS IMPROVEMENT AREA
ADVISORY BOARD**

SPECIAL MEETING

March 1, 2012

ATTENDANCE:

<u>BIA Member</u>	<u>Present</u>	<u>Absent</u>
Cynthia Chang	X	
Tina Martinez	X	
Benjamin Schweng	X	
Dion Griffin	X	
William Roberts	X	
Katherine Kelley	X	

VISITORS: Kim Huggett, Executive Director, Chamber of Commerce; Rudy Grasseschi
Cobbler Shoe Store

STAFF: Kelly Morariu, Assistant City Manager; Stacey Bristow, Neighborhood
Partnership Manager; Gloria Ortega, Redevelopment Project Manager; Sean
Brooks, Economic Development Manager; Mary Thomas, Management
Fellow

I. Call to Order

The meeting was called to order at 8:05 a.m. Those in attendance introduced themselves.

II. Public Comments

Business Owner Rudy Grasseschi commented on growing concerns amongst downtown business owners that not all business owners are paying their DBIA fees and there doesn't seem to be anything being done about it, and that business owners feel that the downtown events being paid for out of DBIA fees do not benefit their businesses. Mr. Grasseschi also commented that businesses are not staying open during the street parties despite the number of foot traffic the event brings; the pet parade does not bring exposure to businesses and does not seem worth the amount of money spent to hold the event; and the Blues Festival causes parking congestion and takes away from normal business traffic, he suggest moving the event to another location out of the downtown area.

III. Approval of Meeting Minutes January 18, 2012

Minutes approved by majority vote.

IV. FY 2012 Budget Update

Gloria Ortega reported that with the elimination of the Redevelopment Agency, the DBIA budget will revert back to the reduced budget of \$55,000, which was approved by the DBIA Board as part of the 2011 budget planning process for FY2012. Ms. Ortega reviewed the activities for FY2012 that have already been paid for, activities that have not yet been paid and activities and services that will not be delivered due to the loss of Redevelopment Agency funds.

Discussion took place about Banners including; rotation schedule, hardware replacement and removal costs and how the Route 238 Corridor Improvement Project within the DBIA affect the process.

It was **motioned/seconded** and passed by majority vote to remove and store all banners within the 238 Corridor, but leave the others until the DBIA Board can decide what the next steps will be.

It was noted that in order for the Board to make a decision on the status of the banners and hardware, staff will need to provide additional detailed information at the next meeting.

Ms. Ortega reminded the Board that the budget for promotions and marketing, and clean and green strategies will be reduced. Ms. Ortega suggested providing DBIA members with updated information about the elimination of Redevelopment, how it affects the DBIA budget, and to remind members of the importance of paying their DBIA fees, can be done by sending a letter instead of a newsletter, which may be a cost saving measure.

Kelly Morariu suggested surveying members to understand what their priorities are.

It was noted that despite Board members efforts of going door-to-door to meet with membership, previous surveys resulted in minimal participation.

Ms. Ortega suggested holding an annual membership meeting that provides members an opportunity to discuss and vote on what activities are important to them.

Board members and staff discussed items that should be included on the survey.

Ms. Ortega reminded the Board that the current pressure washing contract includes pressure washing of the entire DBIA area twice annually, which has been done once thus far. Ms. Ortega suggests canceling the second pressure washing of the entire DBIA, considering the Route 238 construction on Foothill; however, continue the regular schedule of pressure washing of the Downtown and City Hall Plaza area.

V. FY2013 Budget Discussion

Ms. Ortega advised the Board that the Board can adopt the same funding recommendations as FY2012 or appoint a committee to review and recommend a new/revised budget for FY2013.

After discussion it was **motioned/seconded** and approved unanimously to adopt the same

funding recommendations as FY2012 in the amount of \$55,000 with the condition that the Board review and evaluate line items to determine any necessary changes in each budget category.

VI. Review DBIA Assessment Levels

Ms. Ortega outlined the DBIA zones and assessment levels, and provided an overview of how the Revenue Department invoices, collects, and pursues unpaid balances of DBIA fees.

Mary Thomas reported that her DBIA assessment analysis shows that DBIA revenues are declining as a result of a decrease of businesses in the DBIA in combination that some businesses just do not pay, despite the collection process conducted by the Revenue Department. Ms. Thomas remarked that additional efforts to contact businesses by telephone may result in an understanding of why they do not pay their fees.

It was noted that the Revenue Department provides the billing and collection services at no cost to the DBIA.

Staff and Board members discussed ideas on how to improve the process of billing, collecting, and revising fee levels moving forward.

VII. Future Meeting Topics

Budget Review 2012 & 2013
Evaluation of DBIA Assessments

VIII. Adjournment

The meeting was adjourned at 9:18 a.m.

**MINUTES
DOWNTOWN HAYWARD BUSINESS IMPROVEMENT AREA
ADVISORY BOARD**

REGULAR MEETING

April 4, 2012

ATTENDANCE:

<u>BIA Member</u>	<u>Present</u>	<u>Absent</u>
Cynthia Chang		X
Tina Martinez	X	
Benjamin Schweng	X	
Dion Griffin	X	
William Roberts		X
Katherine Kelley	X	
Vacant		
Vacant		
Vacant		

VISITORS: Kim Huggett, Executive Director, Chamber of Commerce; Christina Garcia

STAFF: Stacey Bristow, Neighborhood Partnership Manager; Gloria Ortega, Redevelopment Project Manager; Sean Brooks, Economic Development Manager; Mary Thomas, Management Fellow; Colleen Kamai, Senior Secretary

I. Call to Order

The meeting was called to order at 8:06 a.m.

II. Roll Call:

It was noted that Board Member Cynthia Chang notified staff in advance that she would be unable to attend.

III. Public Comments

Sean Brooks announced that the City of Hayward has been approached by a film company interested in filming a commercial on B Street between Foothill Blvd. and Main Street on Wednesday, April 25 and Thursday, April 26 between the hours of 6:00a.m. and 8:00p.m.

Mr. Brooks spoke about the impact on traffic, and to businesses located in the area, and reported that staff is looking into how they can best facilitate the film company's request.

Mr. Brooks remarked that if Hayward is chosen for filming, not only will crews be eating in the area and buying gas here, they will be utilizing local talent for the commercial, including a local Mariachi Band and High School Marching Band. Mr. Brooks commented that a monetary contribution from the film company to the DBIA may help offset costs of future DBIA events. Additionally, there would be revenue to the city in the form of fees associated for permits, and to put in place and execute a traffic control plan including street closures.

Mr. Brooks said the film company is evaluating potential filming sites in other nearby cities as well, and will be making a decision next Tuesday on where to film. If Hayward is selected, the film company would like to work with the DBIA Board to help facilitate communicate with business owners.

Kim Huggett announced that Thursday, April 19 will be the next scheduled Restaurant Walk from 5:00p.m. to 9:00p.m.; participating restaurants will include Chef's China Bistro and Sunflower Two. Mr. Huggett stated that the event brings foot traffic downtown on a Thursday night and noted that the last Restaurant Walk sold out; as they are expect to sell out again. Mr. Huggett encouraged those in attendance to get their tickets in advance.

Christina Garcia, Owner of Garcia's Mobile Live Scan introduced herself and provided a brief background about the business she manages, Security Six located on the corner of Mission Blvd. and C Street. Ms. Garcia said they are a training facility for security officers; offer guard cards; tear gas, baton and fire arms training; and sell accessories. They also do Live Scan electronic finger printing and background checks. Ms. Garcia added that they will be getting a simulator weapon composed with air that allow clients to practice shooting at simulated targets on a projection screen.

Ms. Garcia added that she learned about the DBIA Board meeting while visiting City Hall to pay her DBIA fees; staff informed her of the meeting and suggested she attend. Ms. Garcia also mentioned that they have been open for business since the beginning of the year and hope to hold a grand opening soon.

IV. Staff Support / Introduction

No new introductions.

V. Approval of Meeting Minutes March 1, 2012

No action was taken. The item will be placed on the next agenda.

VI. DBIA Fees/Revenues:

Revenues Collected From Events: Stacey Bristow thanked the Chamber for participating in a recent meeting to discuss Chamber/DBIA events and added that conversations will need to continue to determine the direction of the events in light of the current budget situation. Ms. Bristow added that the vision is to see the events grow, increase attendance, generate revenue, expand on vendor participation, and to continue the partnership with the

Chamber and the DBIA.

Kim Huggett commented that the Chamber continues to prepare for events and will need clarification on the funding of summer events.

Gloria Ortega commented that the Board previously approved staff to issue a request for proposal for event promotion, which was done, but due to minimal response needs to be re-launched. Ms. Ortega added that an organization like the Chamber is essential when working with a promoter to plan and organize events.

In response to Board Member Dion Griffin's question, Kim Huggett provided information about what role the Chamber plays in organizing the downtown events, which include acting as liaison to the DBIA Board and the City, coordinating vendors, performers, volunteers, and obtaining permits to name a few. Mr. Huggett reported that the size of our events are not attractive enough to generate the kind of revenues that promoters want and added that the fees currently charged to vendors are priced to attract local businesses and organizations; if you raise vendor fees to generate revenues you weed out the ability of local vendors and artists to participate.

Analysis of Unpaid DBIA Fees: Mary Thomas, Management Fellow, reported that there were currently one hundred seventy-two DBIA members that had not paid their DBIA. Ms. Thomas added that despite her efforts she was only able to speak with twenty-three, who provided various reasons why they had not paid. The reasons included lack of general knowledge about what the fee was and why they were required to pay, unaware of the bill, or they reported being out of business. Some indicated frustration with a lack of knowledge of city staff when inquiring about the fees resulting in them discarding the bill.

Christina Garcia Owner of Garcia's Mobile Live Scan reported that she did not know what the bill was when she received it, so she came to City Hall to inquire about it; she added that she did not receive any information when she applied for her business license. Ms. Garcia reported that staff in the department where she went to pay did not seem to know much about what the DBIA is, or why she had to pay a fee; staff ultimately was able to provide her with a DBIA brochure and referred her to Gloria Ortega.

Ms. Garcia commented that though staff collecting the payments may not work directly with the DBIA, it would help if they were familiar with who or what the DBIA is and the fees associated with it so they can better communicate when asked. She added that the business license bill and the DBIA bill are different colors which helped distinguish between the two.

Optional Collection Methods: Stacey Bristow reported that the DBIA bill is mailed to DBIA members in January, considered late if not paid by March, a late fee of ten percent is added each month the bill is late, finally if not paid by June it is sent to collections. Ms. Bristow commented that there are other collections methods used within other city departments, which the DBIA Board may want to consider, but will require additional research. Ms. Bristow reported that to revise the current collection policy would involve

modifying the ordinance, which could take up to a year and half. Staff is continuing to research the process and will provide any available information as it develops.

Benefits to Businesses for DBIA Fees Paid – Survey/Letter and Annual Membership Meeting: Board members reviewed and discussed the draft survey prepared by Gloria Ortega. Ms. Ortega outlined the survey, which focuses on events, services, and safety and remarked on the challenges of executing a survey.

Board members commented that until issues related to fees and collections are resolved, the proposed survey and membership meeting should be postponed. Members added that they need to focus efforts on resolving those issues as well as developing an efficient method of educating new and existing DBIA members about events, services and fees. Having these policies and procedures in place will give Board members and staff the answers they need to respond to the results of the survey and ability to more accurately respond to membership questions.

Board Member Ben Schweng suggested appointing a sub-committee to work out some of these issues.

Board members asked about proxy voting and asked staff to follow up and report back.

VII. DBIA Contracts

Street Sweeping – City Hall Plaza: In response to questions about vendors cleaning up after events in the Plaza, Stacey Bristow reported that she has confirmed that Maintenance Services staff is responsible for, and does clean-up the plaza after events. Ms. Bristow added that Gloria Ortega is developing a vendor checklist that instructs vendors on what they can and cannot do, and outlines their responsibility to clean-up and maintain the area.

Banners & Hardware: Stacey Bristow handed out maps showing how many banner poles there are and where they are located. Ms. Bristow reported that the estimate to replace all damaged hardware would be approximately \$30,000; of which Public Works is willing to contribute \$20,000 as part of the Route 238 construction project. Ms. Bristow reported there are currently four banner rotations; the Board can decide to eliminate one or more rotations as a cost saving measure. It was noted that the current vendor stores, installs, and removes banners according to the rotation schedule.

VIII. DBIA Events/Activities:

Stacey Bristow reported that the potential for staff reductions should also be considered by the Board when planning events. Ms. Bristow added that DBIA members may need to participate more in the planning and organizing of events as a result of limited staff support.

IX. DBIA Budget:

Gloria Ortega reminded the Board that they previously voted unanimously to adopt the same funding recommendations as FY2012 for FY2013.

Ms. Ortega reported that after reviewing last year's staff report and what the Board actually approved, was that if Redevelopment funds were reduced the Board would only pay for three Street Parties instead of four. Ms. Ortega pointed out that three, July, August, and September 2011 Summer Street Parties have taken place and were paid for out of the FY2012 Budget meaning that the full allocation for Street Parties has been expended; therefore, if the June 2012 Street Party, which is the fourth street party of that four-series event, will take place, it will have to be funded out of the FY2013 Budget.

Kim Huggett expressed concerns about the funding going forward, if the budget is to fund only three out of four 2012/2013 events. Mr. Huggett asked for clarification, would there be funding for June of this year, 2012 and then three of the next four which means July, August and September 2012; that would be a payment of four street parties out of FY2013.

Ms. Ortega reminded the Board that as part of last year's budget planning process they did not know at that time if there would be funding from Redevelopment; she noted that if there was Redevelopment money they would fund four street parties, if the money went away they would fund only three. Ms. Ortega added that with a reduced DBIA Budget the funding for Street Parties was reduced from \$30,000 to \$22,500 and noted from the 2011 Annual Report that the Board recommended to Council and Council approved, that at the reduced budget one of the four street parties would be eliminated. Ms. Ortega remarked that with the elimination of Redevelopment comes a reduced budget resulting in the elimination of one street party.

Ms. Ortega reported going forward; the Board would have to decide if they could pay for the June 2012 Street Party out of any potential cost saving measures from other expenses, using reserves, or paying out of FY2013 Budget.

Board members commented that given their budget allows for only three out of four events, if they fund the June 2012 event out of the FY2013 Budget there would only be enough remaining funds for two more Street Parties, presumably July and August 2013. The Board would have to consider either using funds from reserves, or taking cost saving measures from other expenses to cover cost of additional Street Parties, September 2012 and June 2013.

Board Member Ben Schweng noted that the DBIA budget has been reduced fifty percent resulting in extreme measures to reduce their spending, a casualty being one of the Street Parties.

Ms. Ortega added that the Board has to act on the current budget for FY2013 by May in order for staff to prepare the annual report to take to Council in June, and noted that if the Board adopts the budget at \$55,000 there is the potential of having to dip into reserves if the DBIA revenues do not come in at the budgeted amount, which will not be known until June.

Mr. Schweng commented that Street Party discussions have previously taken place; a decision was previously made by the Board to fund three out of four Street Parties, some people wanted four, some wanted two, ultimately the Board compromised at three, a difficult discussion but a decision was made.

Ms. Ortega remarked that the point of discussion was to clarify the decision previously made by the board to adopt the same funding levels as FY2012 for FY2013 and noted that at the reduced funding the Board would approve the funding of three of four Street Parties.

Mr. Schweng added that at the last meeting the Board decided to follow what was done last year, which is to fund three Street Parties; however, pulling funds from either reserves or FY2013 would be another discussion. Mr. Schweng suggested convening a subcommittee to work through some of these budget issues, to avoid such lengthy discussions at future meetings.

Ms. Ortega reiterated that the June 2012 Street Party will have to be funded from the FY2013 Budget and noted, for clarification, that what was approved and recommended is that the funding for Summer Street Parties is \$22,500 that funds June, July, and August 2012, that means there would not be a September 2012 Street Party.

Ms. Ortega noted that some funds may be available from cost saving measures related to banner hardware and rotation, street sweeping, and publication reductions.

X. Next Meeting:

July 18, 2012

XI. Future Meeting Topics

Cost Saving Measures/Service Reductions
DBIA Annual Report

XII. Adjournment

The meeting was adjourned at 9:38 a.m.



DATE: October 29, 2012

TO: Downtown Hayward Business Improvement Area Advisory Board (DBIA)

FROM: Gloria Ortega, Redevelopment Successor Agency Project Manager

SUBJECT: Downtown Business Improvement Area Annual Report and Proposed Budget for FY 2013

Attached for the Board's information and review is the Downtown Business Improvement Area Annual Report and Proposed Budget for FY 2013 presented to City Council on June 12, 2012. The report can also be viewed on the City's website or by clicking on the link below.

Attachment:

Attachment I – [Staff report dated June 12, 2012](#)



DATE: June 12, 2012

TO: Mayor and City Council

FROM: Assistant City Manager

SUBJECT: Downtown Business Improvement Area Annual Report and Proposed Budget for FY 2013

RECOMMENDATION

That the City Council accepts the Downtown Business Improvement Area “Annual Report and Proposed Budget for FY 2013”, and adopts the attached resolution setting a public hearing for June 26, 2012 to consider the Annual Downtown Business Improvement Area levy.

BACKGROUND

Hayward’s Downtown Business Improvement Area (“DBIA”) was established by the City Council in 1984. The DBIA’s purpose is to promote the economic revitalization and physical improvement of the downtown business district and to attract new business to the downtown.

The DBIA Advisory Board’s Annual Report and Proposed Budget for FY 2013 are attached to this report as Attachment I. The Annual Report is mandated by the State-enabling legislation. The Annual Report is required to discuss a variety of topics concerning boundaries, levy rates, business classifications, recommended funding from the DBIA levy, and other sources. It also recommends the DBIA activities for the upcoming fiscal year.

The DBIA’s boundaries and levy rates are shown on Attachment I (a) of the Annual Report. This area includes more than 500 holders of Hayward business licenses. Within it are three benefit zones, each with different levy rates. State law requires that levy rates relate to the amount of benefit derived by the businesses being assessed. Zone 1A, which was adopted by City Council in FY 2001-02, is in the downtown core and has the highest rates, followed by Zone 1 and Zone 2. The amount of assessment fees paid by business owners is determined by the following factors: type of business; the geographic location of the business in the business improvement area; and the amount of the business’ gross receipts. However, businesses classified as “Professional Service and Miscellaneous Non-Retail” pay a flat fee ranging from \$75 to \$200 per year depending on location. Retail business owners pay between \$75 and \$500 per year, depending on the factors noted above.

Every year, the DBIA Advisory Board recommends to the City Council an annual budget to fund activities in the following categories: (1) promotions, which include “Summer Street Parties,” Light up the Season and the Santa Paws Parade, banners, and promotional activities; (2) communications with DBIA members; and (3) sidewalk steam cleaning. The amount of DBIA assessments collected is impacted by business closures, and business owners unwilling or unable to pay the assessment fee. When the economy is strong and businesses are thriving, the level of DBIA assessment fees collected had been as high as \$55,000 annually. In FY 2009, assessment fees collected began to decline to \$52,314 and in FY 2011 to a low of \$44,037. As of May 16, 2012, \$51,575.50 in assessment fees have been collected and the Revenue Department estimates up to \$54,000 will be collected by the end of June 2012. This increase is perhaps indicative of an improving economy with businesses better positioned to pay the assessment fee and new businesses locating in the DBIA territory.

In past years, the DBIA’s reserve fund has grown to an estimated balance of \$122,400. The reserve fund accumulates based on fees collected in excess of budgeted amounts, or if services planned are not delivered. This could include items such as pressure washing services interrupted by sidewalk construction, fewer banners hung because of broken or missing hardware, and/or fewer funds spent than budgeted for holiday events.

The assessment fee invoice and a brochure describing the services provided by the DBIA are mailed out annually in late December or early January with business license renewal applications (see Attachment II: Brochure). Business owners who do not pay the DBIA assessment fees in a timely manner are sent a demand letter in April. By June or July, if assessment fees are not paid, businesses receive a past due letter with a 10% penalty. Businesses that have not paid fees are reported to a private collection agency who attempts to collect the fees.

DISCUSSION

Recognizing the potential loss of Redevelopment Agency funds, the DBIA Advisory Board recommended and the City Council approved two FY 2012 budgets, one with a Redevelopment Agency contribution of \$55,000 and one with only DBIA assessment fees at \$55,000. The loss of Redevelopment Agency funds has had a significant impact on services that can be provided to DBIA businesses. It should also be noted that, at no cost to the DBIA, Redevelopment Agency staff have administered DBIA contracts, convened quarterly and special meetings, and met the regulatory requirements of the DBIA. In addition, at no cost, staff has managed holiday festivities, which have included “Light Up The Season” and the Santa Paws Parade. In addition, the City’s Revenue Department, at no cost to the DBIA, handles annual billing and collections.

The proposed FY 2013 budget is below and mirrors the FY 2012 budget approved with and without the inclusion of redevelopment funds. The impact of budget reductions is more fully described in the Annual Report.

Proposed Budget FY 2013

Revenues	With RDA Funds	Without RDA Funds
BIA Assessments	\$ 55,000	\$55,000
Redevelopment Agency Contribution	\$ 55,000	
Total Revenues:	\$110,000	\$55,000
Expenses		
Summer Street Parties	\$ 30,000	\$22,500
“Light Up The Season”	\$ 18,000	\$9,300
Banners – Maintenance & Rotation	\$ 13,600	\$3,400
Marketing & Promotions	\$ 17,360	\$5,500
Sidewalk Cleaning	\$ 31,040	\$14,300
Total Expenses	\$ 110,000	\$55,000

FISCAL AND ECONOMIC IMPACT

The elimination of Redevelopment Agencies severely impacts the level of services offered in the DBIA assessment area. The DBIA Advisory Board currently maintains a healthy budget reserve of approximately \$122,400. Over the course of the next year, the DBIA Advisory Board will evaluate the most strategic use of the limited funds, and consider use of the budget reserve to achieve their vision and goals of maintaining a clean, safe, and inviting downtown environment. The DBIA Advisory Board will also seek input from the DBIA membership to ensure that budget priorities best reflect desired services.

PUBLIC CONTACT

The DBIA Advisory Board met on the following dates during FY 2012: July 6, 2011; October 5, 2011; January 19, 2012; March 1, 2012, and April 4, 2012. These regularly scheduled meetings and the addition of special meetings, allowed the DBIA board to hear updates on the dissolution of the Redevelopment Agency, and to develop and approve a FY 2013 budget. On March 1, 2012, a quorum of the DBIA Advisory Board adopted a motion approving the proposed FY 2013 budget.

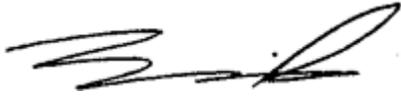
NEXT STEPS

The attached resolution sets a public hearing date of June 26, 2012 to consider the FY 2013 DBIA Levy.

Prepared by: Gloria Ortega, Redevelopment Project Manger

Recommended by: Kelly McAdoo Morariu, Assistant City Manager

Approved by:



Fran David, City Manager

Attachments:

Attachment I: Annual Report and Proposed Budget for FY 2013

Attachment II: DBIA Brochure

Attachment III: Draft Resolution

**DOWNTOWN BUSINESS IMPROVEMENT AREA
ANNUAL REPORT AND PROPOSED BUDGET FOR FY 2013**

BACKGROUND:

The Downtown Business Improvement Area (DBIA) was established in 1984. State law requires that an Advisory Board, appointed by City Council, submit an Annual Report identifying the activities, budget, boundaries, and proposed assessments to businesses within the Improvement Area. The report may propose changes, including such items as the boundaries or benefit zones within the area, the basis and method of levying the charges, and any changes in the classification of businesses. The City Council may approve the report as submitted by the Advisory Board or may modify any particular item contained in the report and approve the report as modified.

STATEMENT OF ACTIVITIES AND ACCOMPLISHMENTS FOR FISCAL YEAR 2012:

The DBIA's activities during the current fiscal year were funded by Business Improvement Area assessments, and uncertain contributions from the Redevelopment Agency and fund balance reserves from prior fiscal years. As part of the FY2012 budget planning process, the DBIA approved two budgets, one with Redevelopment Agency Funds and one without. The DBIA revenues funded the following categories:

- 1) Promotions and Events: Summer Street Parties and Light Up the Season;
- 2) Downtown Banners: maintenance and rotation of banners located in the DBIA boundaries;
- 3) Newsletters: quarterly communications with DBIA members regarding events, City programs and other relevant news;
- 4) Sidewalk Cleaning: pressure washing DBIA area sidewalks.

In all categories, staff entered into contracts that were contingent upon receipt of Redevelopment Agency funds with services to be reduced if funding was eliminated.

FY 2012 Budget

Revenues	With RDA Funds	With Out RDA Funds
BIA Assessments	\$ 55,000	\$55,000
Redevelopment Agency Contribution	\$ 55,000	
Total Revenues:	\$110,000	\$55,000
Expenses		
Summer Street Parties	\$ 30,000	\$22,500
Light Up The Season	\$ 18,000	\$9,300
Banners – Maintenance & Rotation	\$ 13,600	\$3,400
Marketing & Promotions	\$ 17,360	\$5,500
Sidewalk Cleaning	\$ 31,040	\$14,300
Total Expenses	\$ 110,000	\$55,000

ACTIVITIES AND ACCOMPLISHMENTS FOR FISCAL YEAR 2012:

All major activities planned for FY 2012, have been, or are scheduled to be, accomplished by the end of the fiscal year and include the following:

Summer Street Parties

\$30,000

Summer Street Parties are organized by the Hayward Chamber of Commerce (“Chamber”) under contract to the DBIA. The Chamber held three Thursday night Summer Street Parties beginning in June, July and August plus a Saturday Art and Wine Festival. June Street Parties are paid for out of the current fiscal year budget. Therefore, the June 2012 Street Party is paid for from this budget allocation.

Light Up The Season

\$12,143.65

This year’s budget for Light Up The Season and Santa Paws Parade was reduced from last year’s budget of \$22,000. With the uncertainty regarding the loss of Redevelopment Agency funds, staff, worked to reduce cost for both events. The Chamber who assisted staff in booking entertainment, limited the number of groups to perform. In addition, holiday festivities were limited to B Street from Mission Blvd. to City Hall Plaza. Sold out activities included the skate rink and pictures with Santa. Tickets for the skate rink sold out early, even though an extra hour of skate time was added. Children not able to skate took advantage of the train ride, spinning tea cups, and a jump house. Costs were off-set by \$558 collected from skate rink ticket sales.

Santa Paws Parade

The Santa Paws Parade, which was held in conjunction with the Light Up the Season on Saturday, December 3, was by far our most successful parade. The goals of the event were to increase the visibility of downtown as a fun place for pet owners, increase the visibility of the Farmers Market, raise funds for the Hayward Animal Shelter’s homeless animals, and to increase awareness of volunteer opportunities. This year 109 registered pets participated, mostly dogs, however, a miniature horse ridden by a small dog (recently featured on America’s Got Talent), and a Christmas pig also participated. The majority of pets participating reside in Hayward; however, they were joined by pets from Castro Valley, Oakland, San Leandro, Union City, Jackson, Redwood City, San Jose, San Lorenzo and Oakley. Awards were given out in the following categories: best dressed pet; holiday dressed pet; owner & pet look- alike; group entry; just plain cute pet; and the best holiday float

Our media partner KTVU Channel 2, provided free coverage for two consecutive weeks on KTVU, TV36 and online streaming on OTVU & OICU. The Daily Review and the Tri-Valley News also provide event coverage. Television coverage not only advertised the parade but increased visibility of the City of Hayward.

Utilizing a web-based registration/fundraising website, the event raised \$4,000+ (up from the \$2,000 raised the previous year.) This year for the first-time, four businesses from Hayward participated as vendors along with businesses from Castro Valley and San Leandro. The event also attracted more than 50 volunteers of all ages, including some employees from downtown businesses.

Banners Rotation, Maintenance & Replacement **\$5,835**

With the loss of Redevelopment Agency funds banner rotations were reduced from four rotations to two and included the “Holiday” banners and the current “Celebrating Hayward Performing Arts”.

DBIA Communications/Newsletters **\$1,600**

With the loss of Redevelopment Agency funds the DBIA newsletter was reduced from four quarterly newsletters to one.

Sidewalk Cleaning **\$12,097**

The schedule of sidewalk pressure washing was halted after the loss of Redevelopment Agency funds. With Redevelopment Agency funds, the entire DBIA was scheduled for pressure washing in late spring with a second cleaning in early fall. Available funds did allow for six months of spot cleaning three times a week for two hours on B Street from Foothill to Watkins. In addition, City Hall plaza was pressure washed once a month in support of the Farmers Market Activity on the Plaza.

The Annual Report addresses the following six topic areas:

1. PROPOSED BIA BOUNDARY CHANGES DURING FY 2013

The Advisory Board is proposing no changes to the boundaries at this time.

2. STATEMENT OF PROPOSED BUDGET AND ACTIVITIES FOR FY 2013

Fiscal year 2013 will be a transition year for the DBIA, as it will be the first year that the budget will not include Redevelopment Agency contributions. The loss of Redevelopment Agency contribution decreases the funds available to pay for services by fifty percent (50%). As of May 16, 2012, \$51,575.50 in assessment fees have been collected and the Revenue Department estimates up to \$54,000 will be collected by the end of June 2012. The proposed DBIA budget is \$55,000 with \$54,000 coming from assessments and \$1,000 from reserves. If the amount of assessment fees collected is higher than \$54,000 the amount used from reserves will decrease. The services recommended by the DBIA Advisory Board were guided by their “mission/vision” statement: *“To create a safe, clean, and inviting downtown environment that supports existing businesses, attracts new businesses, and increases the number of downtown visitors.”*

During the course of the year, staff will work with the DBIA Advisory Board to get input from business owners to determine, given limited funds, what they identify as service priorities.

2013 DBIA Budget

REVENUES	FY 2013
DBIA Assessments	\$ 54,000
Estimated Reserve	\$ 1,000
Total Revenues	\$ 55,000
EXPENSE ITEM	
Summer Street Parties	\$22,500
Light Up The Season	\$9,300
Decorative Banners	\$3,400
DBIA Communications/Newsletters	\$5,500
Sidewalk Cleaning Contract	\$14,300
Total Expenses	\$ 55,000

PROPOSED ACTIVITIES FOR FISCAL YEAR 2013:

Summer Street Parties **\$22,500**

Three Street Parties were approved which will be held in July, August and September. The June Street Party will be for from FY 2011 funds.

Light Up The Season **\$9,300**

With limited funds available holiday activities will be concentrated in and around City Hall. The event will continue to focus on family-oriented activities.

Decorative Banners: **\$3,400**

Banner rotation will be limited to one rotation. Upon completion of RT 238 construction and placement of new light poles, staff will seek input from the DBIA Advisory Board regarding location of banners. It is possible that the number of banners hung will be reduced, funds available will only, at most, allow for one banner rotation. A determination of which banners best reflect the image of downtown and the City will be selected from the four sets of banners of the current banner program.

RT 238 will replace banner hardware on the light poles replaced as a result of the RT 238 project. Banner hardware not replaced by the RT 238 project is aging and in need of replacement. Replacement of this hardware will be part of the FY2014 budget discussion. In the past, replacement of banners or other one-time costs have come from budget reserves.

DBIA Communications/Newsletters: **\$5,500**

These funds will be reserved for newsletter and other forms of communications with business owners in the assessment district, and could include outreach strategies to obtain input from business owners.

Sidewalk Cleaning Contract:

\$14,300

This budget reduction from \$31,040 will result in a significant reduction of pressure washing services in the downtown, which included “spot” cleaning of B Street, to two-times weekly from Foothill Blvd. to Watkins Street, steam cleaning of City Hall Plaza monthly in exchange for on-going Farmers Market; pressure washing of decorative garbage cans twice yearly, and pressure washing of the entire DBIA twice yearly. The current budget will be limited to pressure washing of the DBIA twice yearly. . With new sidewalks (as a result of RT238) in a large area of the downtown, the twice a year, pressure washing will help maintain the sidewalks.

3. PROPOSED BUDGET EXPENDITURES 2013

The total proposed budget for FY 2013 is \$55,000.

4. PROPOSED METHOD AND BASIS FOR LEVYING DBIA ASSESSMENTS

The DBIA zones and levy (fee structure) are indicated on Attachment I-(a) of this report. No changes are proposed at this time.

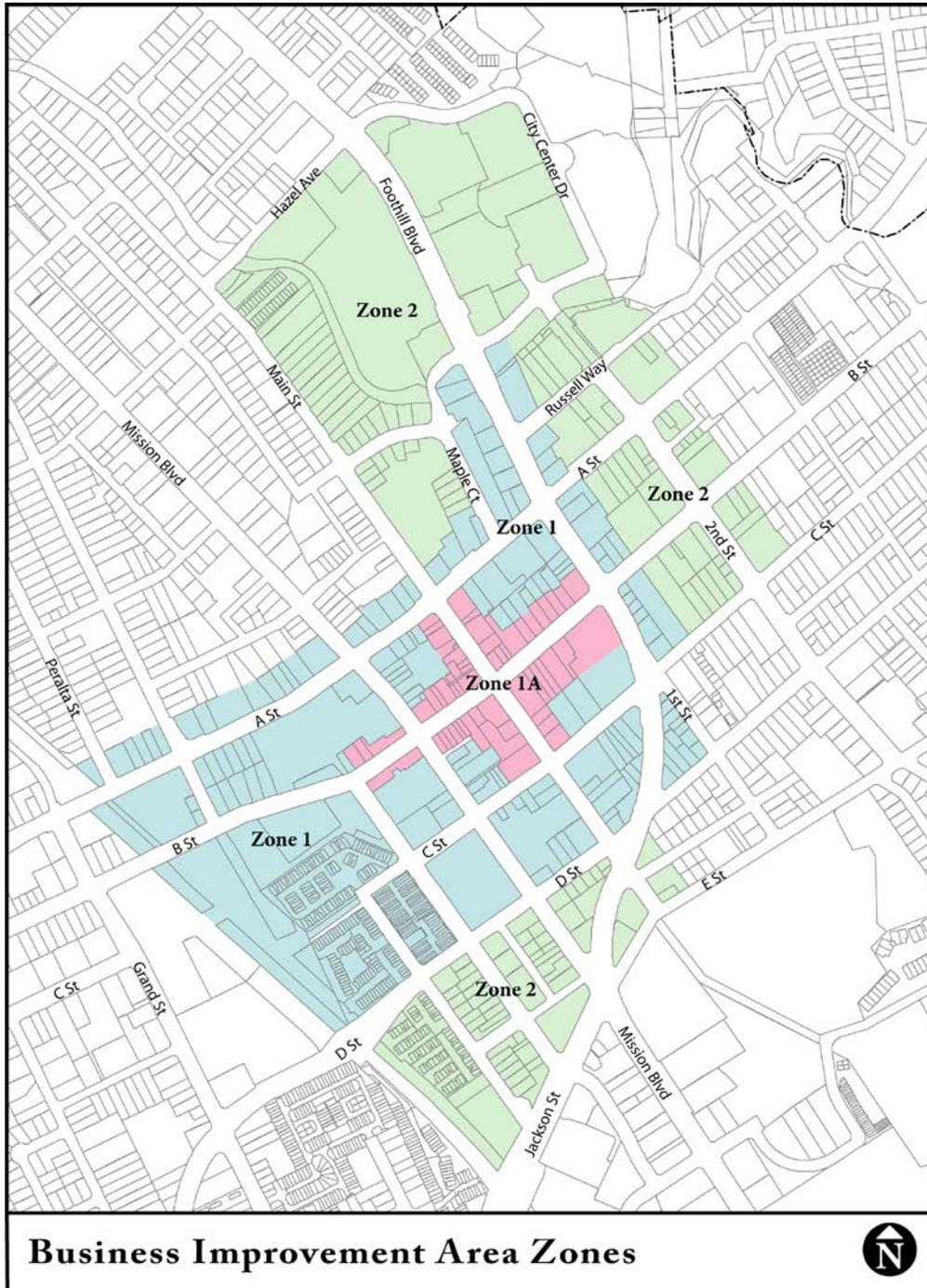
5. CONTRIBUTIONS FROM OTHER SOURCES

None

6. CLOSING STATEMENT OF THE BOARD

The DBIA Advisory Board will seek input from downtown merchants to ensure that limited funds best reflect their priorities for downtown services.

Business Improvement Area Zones



Services	Zone 1A	Zone 1	Zone 2
Banners	√	√	√
Holiday Wreaths	√		
Street Parties, LUTS, Parade, etc.	√		
Side Walk Cleaning (Twice)	√	√	√
Side Spot Cleaning (B St – 2x Weekly) - TBD			
BIA Members Communications	√	√	√

BIA FEE STRUCTURE

All businesses classified as PROFESSIONAL SERVICE AND MISCELLANEOUS NON-RETAIL which are located in **Zone 1A** shall pay a flat fee of \$125.00 per year. **Zone 1** is a flat fee of \$75.00 per year.

All businesses classified as FINANCIAL which are located in **Zone 1A** shall pay a flat fee of \$325.00 per year. **Zone 1** is a flat fee of \$200.00 per year.

All businesses classified as PROFESSIONAL SERVICE AND MISCELLANEOUS NON-RETAIL which are located in **Zone 2** shall pay a flat fee of \$75.00 per year.

All businesses classified as FINANCIAL which are located in **Zone 2** shall pay a flat fee of \$200.00 per year.

All businesses classified as RETAIL shall pay an assessment based on the following gross receipts schedule:

GROSS RECEIPTS	ZONE 1A	ZONE 1	ZONE 2
Less than \$100,000	\$145.00	\$120.00	\$90.00
\$100,001 - \$150,000	\$175.00	\$150.00	\$115.00
\$150,001 - \$200,000	\$205.00	\$180.00	\$135.00
\$200,001 - \$300,000	\$255.00	\$230.00	\$175.00
\$300,001 - \$400,000	\$305.00	\$280.00	\$210.00
\$400,001 - \$500,000	\$355.00	\$330.00	\$250.00
\$500,001 - \$750,000	\$425.00	\$400.00	\$300.00
\$750,001 - \$1,000,000	\$495.00	\$400.00	\$300.00
\$1,000,001 and up	\$525.00	\$400.00	\$300.00

Business Improvement Area Activities

The Downtown Hayward Business Improvement Area (BIA) District generates funding for a variety of downtown promotional events, activities and beautification projects. The goal of the BIA is to promote Downtown Hayward as a destination for shopping, dining, entertainment and more. In the past BIA funds have been allocated to promote the downtown in the following manner:

Downtown Events: BIA fees help pay for summer street parties and seasonal events designed to attract people to the downtown and City-at-large. In the past these events have included the Summer Street Parties and Light Up the Season.

Downtown Hayward Banners: Seasonal banners are located throughout the downtown and are changed four times a year. These banners are periodically replaced with updated images.

Communications: BIA fees pay for quarterly newsletters informing business owners of the latest downtown news and events impacting them and their customers.

“Clean & Safe” Strategies: The City, with input from the BIA Advisory Board, have adopted a number of “Clean & Safe” strategies which include increased sidewalk steam cleanings, improved street lighting, and new garbage cans.



Downtown Hayward Business Improvement Area

OFFICE OF THE CITY MANAGER
777 B Street, Hayward, CA 94541-5007
Tel: 510/583-4260 Fax: 510/583-3650

What is a Downtown Business Improvement Area?

A Business Improvement Area (BIA) is an assessment district approved by the City Council to perform approved downtown promotional and improvement tasks within its adopted boundaries. The Hayward City Council approved our district in 1985.

All businesses within the district are assessed a mandatory fee that contributes to funding of promotional events and activities in Downtown Hayward. This fee is payable to the City at the beginning of each calendar year. A business may pay from \$75 to \$500 per year, depending on its location and the type of business.

These funds are used to:

- ❖ Organize special events;
- ❖ Assist in the beautification of downtown streets and public places;
- ❖ Purchase and install decorative banners to create a sense of place for the downtown;
- ❖ Develop positive marketing campaigns to promote the Downtown;
- ❖ Foster communication regarding activities and development in the Downtown area through Merchant Newsletters.

The BIA Advisory Board, a 9-member board appointed by the City Council, provides guidance on the expenditure of these funds. For additional information about the BIA Advisory Board, please contact Gloria Ortega, Redevelopment Project Manager at (510) 583-4260.

Downtown Business Improvement Area

The Downtown BIA is divided into three zones as shown: Zone 1, Zone 1A, and Zone 2.

Street	Zone 1	Zone 2
A Street	636-1099	1100-1229
Atherton St	22660-22799	22800-22999
B Street	630-804 1091-1130	1131-1229
C Street	700-1099	1100-1224 <small>even</small>
City Center Dr		22001-22399 <small>odd</small>
D Street	700-1098 <small>even</small>	701-1029 <small>odd</small>
First Street	22701-22799 <small>odd</small>	
Foothill Blvd	22380-22694 22696-22803	22253-22370 22805-22899
Hazel Ave		1101-1199 <small>odd</small>
Jackson St		790-898 <small>even</small>
Main St	22500-22506 22697-22777	22192-22498 <small>even</small> 22778-22899
Maple Ct	22400-22498 <small>even</small>	22401-22499 <small>odd</small>
McKeever Ave		1000-1099
Mission Blvd	22484-22799	22800-22899
Montgomery Ave	22500-22599	
Richard Place		1207-1217
Russell Way		1100-1261
Second Street		22300-22699
Watkins Street	22500-22799	22800-22999
Willis Avenue		700-899

Street	Zone 1A
B Street	805-1090
Foothill Blvd	22695
Main Street	22507-22696

Fee Structure

The fee structure that applies to each of these business classifications is shown on the annual BIA assessment that is issued by the City's Revenue Division. Please direct any billing inquiries to Teresita Ang at (510) 583-4630.

Business Classifications

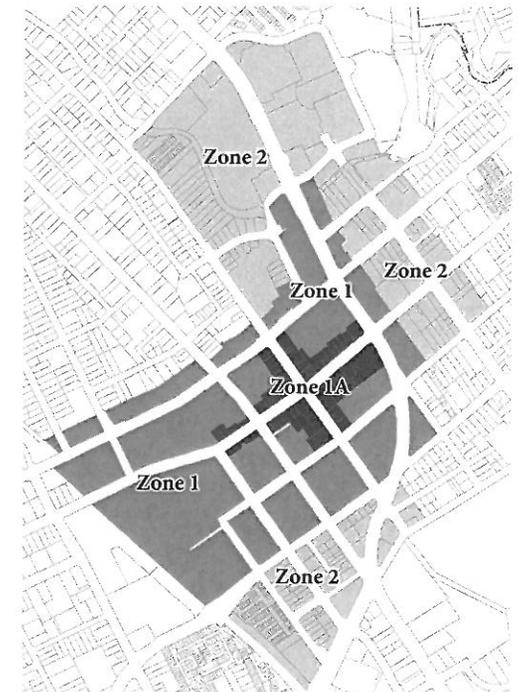
Professional Businesses include, but are not limited to accountants, architects, attorneys, chiropractors, consultants, dentists, designers, engineers, optometrists, osteopaths, physicians, surgeons, and veterinarians.

Service Businesses include, but are not limited to, bail bondsmen, barber and beauty shops, contractors, dry cleaners, employment agencies, hospitals, investment brokers and agents, locksmiths, radio and television repair, real estate brokers and agents, schools, secretarial services, shoe repair, and travel agencies.

Financial Businesses include, but are not limited to, banks and Savings & Loan institutions.

Miscellaneous Non-Retail Businesses include, but are not limited to, apartments, auto repair, card clubs, home operations, hotels/motels, interior designers, mortuaries, office buildings, photographers, taxicabs, and theaters.

Retail Businesses are those which do not fall into any of the above classifications.



HAYWARD CITY COUNCIL

RESOLUTION NO. RA _____

Introduced by Council Member _____

RESOLUTION ACCEPTING ANNUAL REPORT AND
DECLARING INTENTION TO LEVY ANNUAL CHARGES
FOR THE DOWNTOWN HAYWARD BUSINESS
IMPROVEMENT AREA FOR THE FISCAL YEAR 2013
AND PROVIDING FOR NOTICE OF HEARING THEREON

BE IT RESOLVED by the City Council of the City of Hayward, as follows:

1. On September 18, 1984, the City Council established the Downtown Hayward Business Improvement Area pursuant to section 36500 et seq. of the Streets and Highways Code of the State of California, which was commonly known as the Parking and Business Improvement Area Law of 1979 and, as now codified, is commonly known as the Parking and Business Improvement Law of 1989.

2. The Advisory Board for the Downtown Hayward Business Improvement Area prepared an annual report for the fiscal year July 1, 2011 to June 30, 2012, on behalf of the Downtown Hayward Business Improvement Area pursuant to section 36533 of the California Streets and Highways Code, which report, on file in the office of the City Clerk, is hereby accepted by the City Council. Said report may be referred to for the particulars as to the detailed descriptions of improvements and activities to be provided, the charges to be levied, the benefit zones within the area, the proposed charges to be levied on businesses, and exact boundaries of the area.

3. It is the intention of the City Council to levy and collect the charges within the Downtown Hayward Business Improvement Area for the fiscal year 2011 as set forth in the annual report or such report as hereafter modified. The charges may be used for parking facilities serving the area, decoration or music or advertising public events in public places in the area, and to promote business activities in the area. The area is generally described on the map attached hereto as Attachment III-a.

4. Notice is hereby given that Tuesday, June 21, 2011, at the hour of 7:00 p.m., in the regular meeting place of this City Council, 777 B Street, Hayward, California, a hearing will be held on the question of the levy of the proposed charges, at which time written and oral protests may be made in compliance with sections 36524 and 36525 of the Streets and Highways Code.

5. The City Clerk shall cause notice of hearing to be given by publishing a copy of this resolution in The Daily Review, a newspaper published and circulated in the City of Hayward, at least seven days prior to the date of the hearing specified above.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2012

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

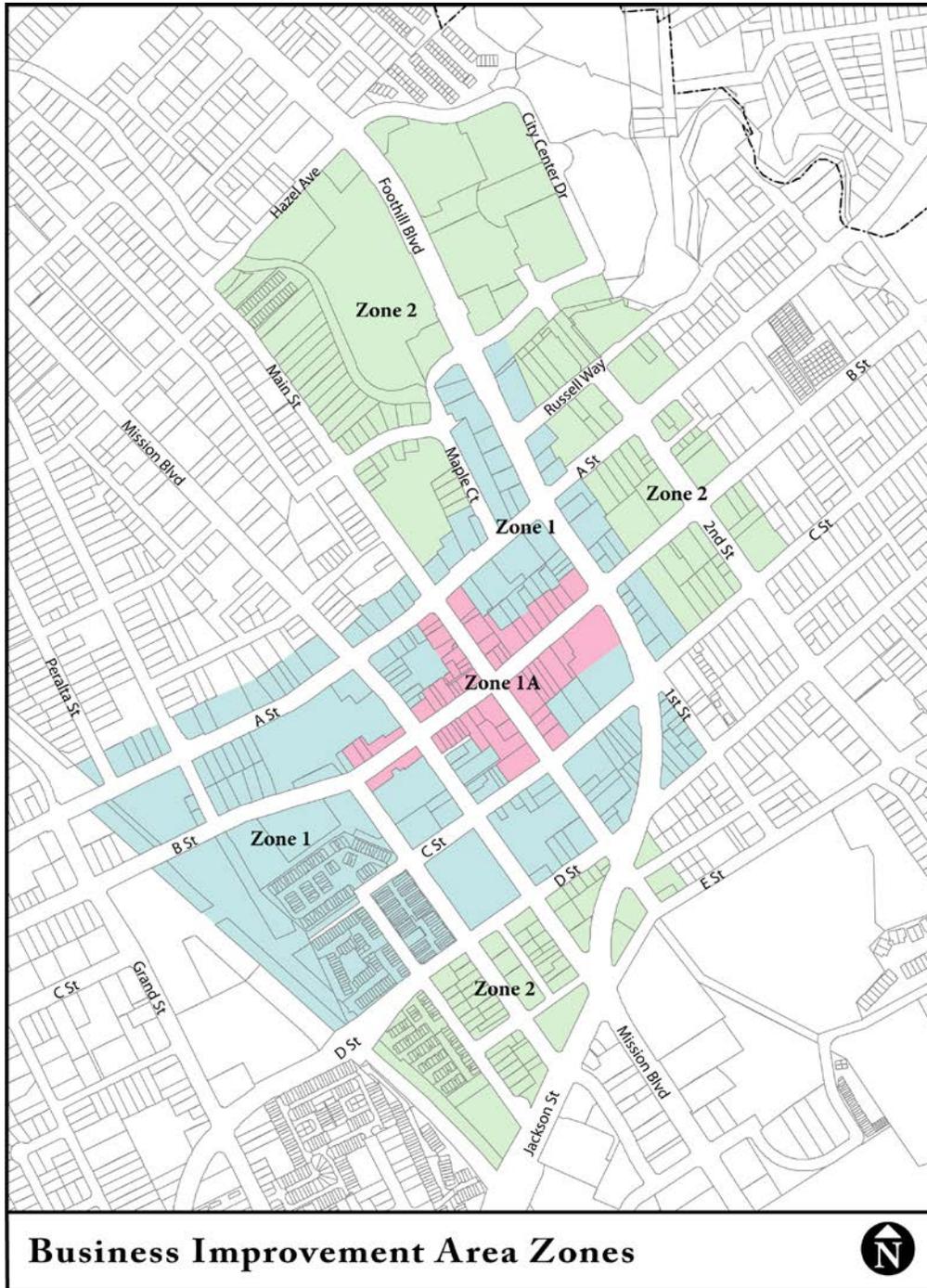
ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward

Business Improvement Area Zones



Services	Zone 1A	Zone 1	Zone 2
Banners	√	√	√
Holiday Wreaths	√		
Street Parties, LUTS, Parade, etc.	√		
Side Walk Cleaning (Annual)	√	√	√
Side Walk Cleaning (Second)	√		
Side Spot Cleaning (B St – 3x Weekly)	√		
BIA Members News Letter	√	√	√

BIA FEE STRUCTURE

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\$750,001 - \$1,000,000	\$495.00	\$400.00	\$300.00
\$1,000,001 and up	\$525.00	\$400.00	\$300.00



DATE: October 29, 2012

TO: Downtown Hayward Business Improvement Area Advisory Board (DBIA)

FROM: Gloria Ortega, Redevelopment Successor Agency Project Manager

SUBJECT: **Downtown Business Improvement Area (DBIA) Member Survey**

Attached for the Board's information and review is the Downtown Business Improvement Area Member Survey. The survey can also be viewed on line by clicking on the link below.

Attachment:

Attachment I – [DBIA Member Survey](#)

7. Provide feed-back on the following services which you believe provide the maximum benefit to DBIA business owners.

a) "Summer Street Parties"



Description: June, July, & August 2012 (located in Zone 1A on B Street from Foothill Blvd. to Watkins Street);
Attendance: approx. 4,000 people per Street Party;
Benefits: Events bring people to the downtown, increase the visibility of the downtown as a destination for entertainment, shopping and dining;

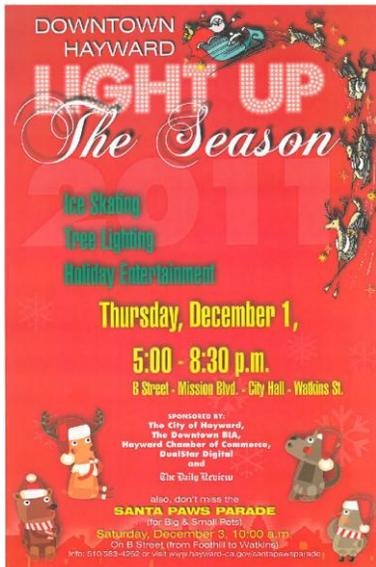
Event Organizer: Chamber of Commerce

Input:

- _____ Continue to fund
- _____ Discontinue funding
- _____ Modify Events and/or Event

Recommendations:

b) Light Up The Season



Description: December (first Thursday, after Thanksgiving) (located in Zone 1A on B Street from Mission Blvd to Watkins Street, City Hall Plaza); Attendance: approx. 3,000 to 4,000 people;

Benefits: Same as above (a) above;

Organizer: City of Hayward with support from Chamber of Commerce

Input:

- _____ Continue to fund
- _____ Discontinue funding
- _____ Modify Events and/or Event

Recommendations:

c) Santa Paws Parade

Description: December (in conjunction with Light Up The Season) (located in Zone 1A on B Street from Foothill Blvd to Watkins Street, Library Plaza); Attendance: approx. 109 parade participants/families/pets;

Benefits: Event raised \$4,000 for the Hayward Animal shelter, and brought visitors to downtown;

Event Organizer: City of Hayward, Chamber of Commerce, Hayward Area Recreation Department

_____ Continue to fund

_____ Discontinue funding

_____ Modify Events and/or Event

Recommendations:

d. Communications with DBIA Businesses

Description: News Letters

Benefits: Communication to business owners regarding DBIA activities, city updates, program and information impacting business owners. **Vendor:** Chamber of Commerce

Have you read the newsletter? _____ Yes _____ No

Did you find it useful? _____ Yes _____ No

_____ Continue to fund

_____ Discontinue funding

_____ Modify Events and/or Event

If continue to fund, how frequent:

_____ Quarterly _____ Annual

Alternate Form of Communication:

_____ email blast _____ letter format _____ meetings

Recommendations:

e. Banners

Description: Seasonal Banners

Benefits: Communicates message(s) that greet drivers to the downtown.

Vendor: Sierra Installation

_____ Continue to fund

_____ Discontinue funding

_____ Modify Events and/or Event

If continue to fund, how frequent should banners be rotated:

_____ Quarterly _____ Annual

Recommendations:



HOW TO SUBMIT YOUR SURVEY: You may fax, mail or take the survey on-line as follows:

Fax: 510 583-3650

Mail: Gloria Ortega, City of Hayward, 777 B Street, Hayward, CA 94536

On-line Survey: <https://www.surveymonkey.com/s/downtownbia>