



**DOWNTOWN HAYWARD BUSINESS IMPROVEMENT AREA ADVISORY BOARD
REGULAR MEETING**

**WEDNESDAY, APRIL 2, 2014
CONFERENCE ROOM 2A, 8:00 A.M.**

CALL TO ORDER

ROLL CALL

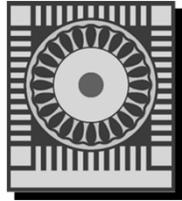
PUBLIC COMMENTS: (The Public Comment section provides an opportunity to address the City Council Committee on items not listed on the agenda as well as items on the agenda. The Committee welcomes your comments and requests that speakers present their remarks in a respectful manner, within established time limits, and focus on issues which directly affect the City or are within the jurisdiction of the City. As the Committee is prohibited by State law from discussing items not listed on the agenda, any comments on items not on the agenda will be taken under consideration without Committee discussion and may be referred to staff.)

1. Update From Banner Subcommittee (**Oral Report**)
2. Update on Future Downtown Hayward Website (**Oral Report**)
3. Discussion of BIA Budget Priorities (**Presentation**)
4. Ethics Training Reminder
5. Approval of Summary Notes from January 8 and February 24, 2014
6. Adjournment

**NEXT MEETING
8:00 A.M., WEDNESDAY, JULY 2, 2014**

****Materials related to an item on the agenda submitted to the Council Committee after distribution of the agenda packet are available for public inspection in the City Clerk's Office, City Hall, 777 B Street, 4th Floor, Hayward, during normal business hours. An online version of this agenda and staff reports are available on the City's website, www.hayward-ca.gov.****

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CITY OF
HAYWARD
HEART OF THE BAY

**Downtown Business Improvement Area
Budget Meeting
April 2, 2014**

Lori Taylor, *Economic Development Manager*
Abiud Amaro Diaz, *Economic Development Specialist*
Economic Development
City Manager's Office



Agenda

- Background overview
- Survey results
- Decide budget priorities

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Background Overview

- Previously we discussed the 2014 fiscal year budget and how to prioritize it.
- We discussed some ideas as to how funds would be spent in both FY 2014 and FY 2015.
- We sent a survey soliciting broader input.

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Discussion Today

- What categories are the most important?
- What activities under each category would you like to support?
- What amount of funds should be allocated to each category?

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Survey results as of March 27, 2014

Ranked in order of importance

PRIORITIES	Survey Ranking
Security	1
Events	2
Marketing, Promotions and Communications	3
Sidewalk Cleaning	4
Banners – Maintenance & Rotation	5

HAYWARD



BIA Budget Discussion

Please provide us with your input

EXPENSES	FY 2014		Survey Ranking
Security			1
Events	\$ 22,500		2
Marketing, Promotions and Communications	\$33,000		3
Sidewalk Cleaning	\$15,600		4
Banners – Maintenance & Rotation	\$18,900		5
TOTAL	\$ 90,000	\$57,000	

- Estimated Reserves: \$132,000

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Potential Expenses 2015-Security

Private Security Programs
Video Camera Reimbursement Program
Security Gates

HAYWARD



Potential Expenses 2015-Events

- Summer Street Parties
 - Three summer parties
 - July 2014, August 2014, June 2015

- Other Events
 - Light Up the Season
 - Wine Walk
 - Car Show
 - Fitness Event-5K
 - Coffee/Tea Stroll
 - Other event

HAYWARD



Potential Expenses 2015-Marketing and Communications

- Retail Attraction Efforts
- Printed Materials (such as visitors guide or brochures)
- Website expansion
- BIA newsletter
- Billboard ads
- Newspaper/magazine ads
- TV/Radio ads
- Social media ads
- Other

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Potential Expenses 2015-Sidewalk Cleaning

- Twice a year clean entire BIA area and Downtown core (B Street from Foothill to Watkins).
- Twice a year clean all decorative garbage cans.
- Steam clean City Hall Plaza three times a year.

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Expenses 2015-Proposed Banner Program

ROTATION OF ADDITIONAL BANNERS:	\$7,300	\$17,000
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- One additional rotation?
- Two additional rotations?

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Budget Discussion

- Thank you for your input.

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MINUTES
DOWNTOWN HAYWARD BUSINESS IMPROVEMENT AREA
ADVISORY BOARD

REGULAR MEETING
January 8, 2014

ATTENDANCE:

<u>BIA Member</u>	<u>Present</u>	<u>Absent</u>
Benjamin Schweng*	X	
Dion Griffin	X	
Darren Guillaume	X	
Katherine Kelley	X	
Alfredo Rodriquez Jr.		X
May Shay	X	

**Chair*

VISITORS: Kim Huggett, Hayward Chamber of Commerce; Ray Baker, Baker Law Firm; Rudy Grasseschi, The Cobblers; Sara Lammin, Ben Henderson, Elena Tibermacime, Supercuts; Council Member Francisco Zermeño

STAFF: Lori Taylor, Economic Development Manager; Maureen Conneely, Assistant City Attorney; Michael Vigilia, Assistant City Attorney; Stacey Bristow, Neighborhood Partnership Manager; David Korth, Neighborhood Services Manager; Linda Ajello, Associate Planner; Frank Holland, Community & Media Relations Officer; Lt. Dave Lundgren; Officer Craig Fovel; Suzanne Philis, Senior Secretary

I. Call to Order

Benjamin Schweng, Board Chair called the meeting to order at 8:03 a.m.

II. Roll Call

Member Rodriguez was absent.

III. Public Comments

Kim Huggett, President of the Hayward Chamber of Commerce, reviewed the success of the Light Up the Season holiday event noting the City's contribution and several sponsors allowed for extra children's rides and the popular ice skating rink and snow machine.

Chair Schweng said when considering the budget, members should consider priorities for the downtown now that redevelopment funding was no longer available. He suggested concentrating on security or combating public nuisances. Economic Development Manager Lori Taylor said because of the Brown Act the committee couldn't add the item for discussion, but noted budgeting would be part of the discussion of banners and a website under Item 5 on the agenda.

Item #2 on the agenda was heard first.

IV. **Update on Sweepstake/Simulated Gambling Ordinance**

Assistant City Attorney Michael Vigilia noted City Council had adopted an ordinance on December 17, 2013, that would prohibit simulated gambling devices. The new ordinance would impact three existing businesses, and he noted the City had been involved with lawsuits with all three since last year. Mr. Vigilia said the City was confident the ordinance would address concerns related to this form of unregulated gambling. He noted compliance would not be voluntary and it would take months before there would be any positive movement.

Chair Schweng asked if the state would play a role in regulation. Mr. Vigilia noted the Attorney General had taken the position that these businesses were a form of unregulated gambling and was currently litigating several cases. State legislation had been introduced to prohibit these businesses, but because the state faced resource challenges, cities needed to do what they could.

Rudy Grasseschi, owner of the The Cobblers on Foothill Boulevard, asked if this form of gambling was illegal a year ago and Mr. Vigilia said yes. Mr. Grasseschi asked if the businesses applied for a business license under false pretenses and commented if they hadn't, then the City hadn't done its job in keeping them out. Mr. Vigilia said business license applications had described the establishments as "business centers" that would provide fax, copy and computer services. Mr. Grasseschi said they lied and the City should argue that, which Mr. Vigilia confirmed was one of the arguments made.

V. **Brown Act Presentation by City Attorney's Office**

Assistant City Attorney Maureen Conneely gave a brief presentation on the Brown Act noting the BIA was a legislative body appointed by Council and that all meetings were public and therefore had to be noticed, have an agenda, and follow established rules.

Ms. Conneely warned members to be sensitive about the use of technology noting a conference call, for example, where a majority of the members were participating and the topic was under BIA jurisdiction, would be considered a meeting and would be a violation of the Brown Act if not noticed and made public. Consequences include civil and criminal charges, she said, and would only apply to members not City staff.

Ms. Taylor asked how a subcommittee would function and Ms. Conneely explained that as long as the subcommittee had a limited purpose and less than a quorum participated, it did not need an agenda or be open to the public. She noted that once the subcommittee's task had been completed, the group would disband.

VI. **Update on Revisions to Tobacco Ordinance**

Associate Planner Linda Ajello noted since the last presentation to the BIA, study sessions had been held by the Planning Commission in November and with the City Council in December, and both were in support of the proposed regulations. Ms. Ajello noted that in the month between those two meetings the number of smoking establishments had doubled. Because of that, she said, the City Council was scheduled to vote the following week on an

emergency ordinance that would create a moratorium on any new tobacco establishments. Ms. Ajello mentioned there was one more community meeting scheduled for public input.

VII. **Update on Food Sharing Ordinance**

Assistant City Attorney Michael Vigilia said the food sharing ordinance had been in effect for several weeks and he asked Hayward Police to provide an update. Lieutenant Dave Lundgren explained that some food sharing activities were still taking place so officers were in “education mode” letting groups know about the ordinance. Lt. Lundgren said no one had been cited for food sharing activities to-date, but officers would start issuing citations in the next couple of weeks.

Neighborhood Services Manager David Korth confirmed no food sharing permit applications had been received and said feedback from businesses and residents indicated food sharing activities were still taking place. Mr. Korth said staff was working with police to contact those groups.

Chair Schweng asked where members of the public could confirm that food sharing activities were permitted. Mr. Korth said the ordinance’s protocol required that a police officer approach the group conducting the activity and group representatives should be able to provide a copy of the permit. Neighborhood Partnership Manager Stacey Bristow mentioned that the City’s permit department could also confirm a permit was on file.

VIII. **Presentation on Marketing Efforts – Banners and Website**

Economic Development Specialist Abiud Amaro Diaz gave a PowerPoint presentation that highlighted the available budget, potential banner and hardware costs, and he displayed a downtown map of available light poles both on main thoroughfares and downtown streets.

Economic Development Manager Taylor noted the available \$19,000 budget would purchase one rotation of 60 banners and hardware; a second rotation would be purchased from the next fiscal year funding. Ms. Taylor also mentioned that a portion of the marketing budget could be used for banners, if desired. Ms. Taylor suggested the formation of a banner subcommittee to finalize the location and selection of banners.

Member Guillaume recommended that maintenance be included in the cost of the banner program noting broken hardware and flapping banners were dangerous and not attractive.

Member Griffin asked if there was any empirical evidence that banner programs worked. Ms. Taylor said while there was no empirical evidence, most first-class cities have banners and with a heavily travelled thoroughfare such as Foothill Boulevard, to not have banners would be a lost opportunity to gain positive impressions.

Member Guillaume pointed out that marketing was required to become a first-class city and Ms. Taylor agreed noting that bit by bit, strong marketing and clear messaging could change attitudes and create vitality.

Community and Media Relations Officer Frank Holland asked about traffic counts along the loop. He said that impressions were made all the time and banners with a targeted message were a positive impression at a good value.

Chair Schweng acknowledged Member Griffin's hesitation in supporting the banner program and mentioned he had heard that the Route 238 Corridor Improvement Project (the Loop), was going to pay for replacement hardware since most light poles along Foothill were replaced taking the existing hardware with them. Chair Schweng also suggested sponsored banners with company logos at the bottom. He noted that sponsorship could help pay for another rotation and suggested the subcommittee discuss the idea. The idea could be considered, but Ms. Taylor said the emphasis should be on communicating the message that Hayward is worth stopping for, not using the banners for advertising purposes.

Mr. Grasseschi said the sponsorship idea was good and that would allow the BIA to use funding for cleaning up the City instead.

Member Kelley commented on the attractiveness of banners in Alameda and said she could already see something similar happening in Hayward with the improvement to lighting, the holiday wreaths and lights, and the murals throughout the City. She said businesses were filling in along Foothill Boulevard and the BIA should promote that.

When Member Griffin commented that messaging and reality were two different things, Member Guillaume said that his storefront signage had brought in 38 new customers and a strong banner program could bring in even more if the banners were classy and placed in the right location. He also emphasized the need to do whatever necessary to bring in new businesses.

Chair Schweng asked for volunteers for the banner subcommittee and Members Griffin and Guillaume raised their hands. Chair Schweng commented that if the large banners got people to stop, the small banners wouldn't be necessary.

Because some members had to leave, the Summary Notes from October 2, 2013, and the 2014 Regular Meeting Schedule were approved before proceeding to the presentation about a downtown business website.

Economic Development Specialist Amaro Diaz then continued with a presentation that provided several ideas for a new BIA business website. Of the sample websites shown for other Bay area cities, Member Guillaume asked the number of hits each site received. Member Griffin asked if the websites shown had been adapted for mobile phones. Mr. Amaro Diaz said he would provide the answers at the next discussion.

Economic Development Manager Taylor commented that Hayward businesses and restaurants should take advantage of free reviews on Yelp. She noted that potential customers usually pick businesses with a website and the BIA website could link the two together. Ms. Taylor said the BIA had a marketing budget that could be used for the development and maintenance of the website.

Member Guillaume asked who would be responsible for updating content noting updates needed to be made weekly and hiring a third party was expensive.

Community and Media Relations Officer Holland said development of a website didn't have to be expensive and said protocols would have to be put in place to keep information current. He said getting information in a timely fashion would be the most difficult aspect of maintaining the website. He also noted that once businesses were linked to the website, content would pop up higher in searches.

In response to members who expressed a preference for money being spent on security rather than a website, Lieutenant Dave Lungren mentioned that Hayward Police Department was opening a district office at the old Hayward Area Historical Society location on C Street at Main. He said trainings would be conducted at the site and regular, as well as community service officers, would be based there starting sometime in February.

Ms. Taylor asked if anyone was interested in forming a subcommittee to discuss website options and Members Guillaume said members of the subcommittee should already have a web presence.

When Chair Schweng questioned the value of a website, Ms. Taylor pointed out that without a website Hayward would fall behind other cities. She explained a functioning website was the bare minimum necessary to begin to build and market a vibrant downtown. The proof of the value of banners and websites and marketing was in the vibrancy of the other sample cities.

Members Kelley and Guillaume agreed. Member Guillaume said it was unacceptable to say this was how it's always been and said Hayward needed to market itself better.

Chair Schweng said the downtown merchants group, New United Merchants, preferred safety and security, but spending \$2,000 to \$7,000 on a website would be acceptable.

Discussion switched to how the BIA district was assessed. Rather than assess business owners there was talk of assessing property owners. Ms. Taylor mentioned that based on the size of the building and the number of calls for service, property owners at Union Landing in Union City raised enough money to hire two new security officers. Ms. Taylor said she was looking for funding to form a property-owner steering committee and mentioned we may be able to use Community Development Block Grants to hire a consultant familiar with state laws and local regulations to lead the process.

Member Guillaume commented that if changing how the assessment was applied would generate more money, then the idea should be considered. He was in favor of charging a minimum fee to every property owner whether the site was currently vacant or not.

Member Griffin asked about the process of changing the assessment to property owners. Ms. Taylor said a consultant would be responsible for creating a property owners steering committee. She added that because all property owners, including BART, public facilities,

and churches, would be assessed, the key was how the assessment was applied not who was supportive of the change.

Member Griffin asked the most effective way to determine if there was interest in the assessment change and Ms. Taylor said the consultant would meet with property owners and present an analysis.

IX. **Approval of Summary Notes from October 2, 2013**

Summary Notes from October 2, 2013, were approved with one minor correction and with Member Kelley abstaining.

X. **Approval of 2014 Regular Meeting Schedule**

Chair Schweng said the Committee should spend more time discussing budget items and Member Guillaume suggested a special meeting be held in February to discuss budget-issues only. Ms. Taylor confirmed that the discussion would also include next year's budget.

Member Griffin said the mission and focus of the BIA should be included as part of the budget talks.

The 2014 Regular Meeting Schedule was approved with a Special, budget-only meeting proposed for mid-February.

IX. **Adjournment**

The meeting was adjourned at 9:49 a.m.

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

**SPECIAL MEETING
February 24, 2014**

ATTENDANCE:

<u>BIA Member</u>	<u>Present</u>	<u>Absent</u>
Benjamin Schweng*	X	
Dion Griffin	X	
Darren Guillaume		X
Katherine Kelley		X
Alfredo Rodriquez Jr.	X	
May Shay		X

**Chair*

VISITORS: Kim Huggett, Hayward Chamber of Commerce; Dharam Salwan; Jessie Rubin

STAFF: Lori Taylor, Economic Development Manager; Abiud Amaro Diaz, Economic Development Specialist; Suzanne Philis, Senior Secretary

I. Call to Order

Board Chair Benjamin Schweng called the meeting to order at 8:16 a.m.

II. Roll Call

Members Guillaume, Kelley and Shay were absent.

Because there wasn't a quorum, and therefore no formal action could be taken, Economic Development Manager Lori Taylor suggested starting with the budget presentation to give the Board more time for discussion.

III. Public Comments

Member Griffin asked for an update on eliminating right-hand turn lanes along Foothill Boulevard to make way for parking and Ms. Taylor said she would follow up with Engineering when she asked about the budget for banner hardware.

Economic Development Specialist Abiud Amaro Diaz announced the Asian American Festival on May 31st. He also mentioned a future topic of discussion might be traffic enforcement.

Kim Huggett, President of the Hayward Chamber of Commerce, mentioned the Chamber had produced the Downtown Summer Street Parties for the last 15 years for a flat amount from the BIA absorbing any shortages in funding by using more volunteers. He said two years ago, with the elimination of the Redevelopment Agency, the September Street Party was cut, but he noted he was talking with downtown merchants about bringing it back. He

said the only thing that would be asked of the BIA was its endorsement. Mr. Huggett said the Chamber was also working on putting together a car show that would run all the way down B Street from Foothill to City Hall and noted Member Rodriguez was assisting with the event. Ms. Taylor asked the name of the event and suggested “Vintage Downtown Hayward” so antique shops, clothing stores and Historical Society could piggy back on the event. She pointed out the merchants would have our new website to help promote the event.

IV. **Update From Banner Subcommittee**

Economic Development Specialist Amaro Diaz gave the update from the banner subcommittee noting they were in favor of both large and small banners with a simple message for large banners and a more detailed message on the small. The final number of banners the BIA could purchase wouldn't be known until the BIA determined the banner specifications and bids were received, he said. He then directed the attention of the BIA to a map of potential banner locations.

Economic Development Manager Taylor mentioned that Community and Media Relations Officer Frank Holland would have several banner templates for review at the next subcommittee meeting and there would be more to report after reviewing those options. Chair Schweng asked if the amount to be contributed by Public Works had been determined and Ms. Taylor said she was waiting for confirmation.

Ms. Carolyn Leandro, a downtown business owner, asked what kinds of businesses the City was trying to draw to the downtown. She said there were already enough salons, barber shops and massage parlors, and knowing the intended audience could make a difference with the banner selection.

Ms. Taylor said one challenge many downtowns were facing was the lack of top-tier demographics, or in other words, lots of wealthy people living nearby with money to spend on retail goods. She said staff was trying to better understand the demographics of Hayward and noted the average income here was considerable lower than in neighboring communities. She also pointed out that there were so many salons and massage parlors because those services could not be purchased online. Ms. Taylor pointed out that any merchant selling goods competes with Amazon and two-day free shipping as well as the local mall. She said the downtown might have to start off with restaurants and services until enough people were coming to the area on a regular basis to support retail uses. She agreed with Ms. Leandro that the downtown didn't have the most affordable leasing rates.

When Ms. Leandro commented that many of her friends left Hayward to go shopping elsewhere and Ms. Taylor said only when services in the downtown created enough activity would retailers start moving in and people would stay to shop locally.

Chair Schweng said the right business could be transformative and he mentioned several downtown businesses that were already thriving even after only a few weeks of moving in.

Ms. Taylor said she would love to see a Crossroads Trading store in downtown which was a favorite with college students and that would tie in with other attractions already here like

the movie theaters and Buffalo Bill's and Bijou. She said having college students hanging around attracted visitors of all ages who like the positive energy of a young, active community.

V. **Update on Future Downtown Hayward Website**

Economic Development Specialist Amaro Diaz reviewed two draft templates for the new downtown Hayward website noting both would function on a phone or desktop, would have calendar integration, interactive maps, business directory and vacancy listings.

Ms. Taylor noted the site photos would rotate between local businesses and downtown sites and noted the site would also list downtown parking options and would like to add Facebook and Yelp. She said administrative control rights to the site could be shared with key merchants and that would allow for promotions and special events.

BIA Board members were pleased with the development of the website so far.

VI. **Discussion of Next Year's Budget Priorities**

Economic Development Specialist Amaro Diaz gave a PowerPoint presentation that highlighted costs and past practices. The discussion varied with each slide.

Economic Development Manager Taylor mentioned that brokers and property owners across the country were using window clings to make vacant buildings appear more attractive and also help potential retailers imagine themselves in the location. She said that clings cost around \$2000 each and some cities were coordinating the cling designs with their banners.

Member Griffin asked if City staff had contacted vacant property owners to ask them what they wanted or what the City could do to get them more involved. Ms. Taylor said letters had been sent to many downtown property owners in an effort to meet with them one-on-one to discuss their plans, goals and willingness to make tenant improvements.

Mr. Amaro Diaz pointed out that Mr. Dharam Salwan, a downtown property owner, was in attendance because of outreach efforts.

Member Griffin also asked what progress had been made in changing the fee assessment from business owners to property owners. He commented that a fee might motivate some property owners to generate revenue by leasing the building rather than let it remain vacant. Ms. Taylor noted that since her first BIA meeting last October, she had been inviting property owners to participate and had brought in a consultant to discuss taxing models. She said she was working on a scope for a feasibility study for the assessment district. Ms. Taylor said that typically such efforts start by forming a steering committee and she noted she had already started talking to property owners about serving on the committee.

Member Griffin noted there had been resistance to changing how fees were assessed and he asked if the BIA could change the process. Ms. Taylor explained that the BIA operated under a 1989 parking district assessment and noted under state law property owners would have to vote in favor of assessing themselves.

The presentation continued and Ms. Taylor noted that the BIA had \$57,000 budgeted for 2015 and members should start thinking about how they wanted to spend that money. She pointed out that in the past, \$22,500, or \$7,500 each, had been allocated for the three downtown street parties.

Member Griffin asked for a breakdown of what had been spent so far in 2014. He asked if any of the \$33,000 for marketing had been spent and Ms. Taylor said no and noted that besides two of the three downtown street parties, very little had been spent. Member Griffin confirmed with staff that any unspent money would carry forward to the next fiscal year.

Chair Schweng asked if the sidewalk steam cleaning of the BIA district had occurred yet, and Mr. Amaro Diaz said yes, one cleaning had been completed. Mr. Amaro Diaz noted that cleaning occurs twice a year.

Ms. Taylor noted that the cost range for banners was wide (\$7,000-\$17,000) because staff didn't know how many banners the Board wanted to purchase and if they wanted to save money for a second rotation.

Mr. Amaro Diaz noted that besides helping everyone visualize potential retail uses, window clings for vacant buildings were a great way to advertise at the street level and said the cost could be shared between the building owner and the BIA. The same would hold true for property owners who allowed local art to be showcased in downtown store windows, he said, noting the artwork could make the space more appealing to potential retailers.

Mr. Amaro Diaz asked board members for feedback on priorities based on the information provided.

Member Griffin said security was the first thing that came to his mind.

Chair Schweng mentioned the New United Merchants group had succeeded in securing a bicycle officer for the downtown and noted the officer had already been tremendously effective. He commented that having the right officer was part of that effectiveness.

Member Rodriguez said there was noticeable difference in the downtown with the new bicycle officer. He then asked if the Board would have to choose between window clings and local art displays and Ms. Taylor said no, both could happen and both would generate nominal costs. She mentioned the BIA might want to consider funding some window cleaning if a property owner wouldn't take it upon himself to do and pointed out that there was a minor liability issue when allowing artists to enter an empty building to set up the artwork; the BIA might have to fund some of these costs including liability insurance.

Economic Development Manager Taylor also mentioned that because of the new restaurants coming in around Cinema Place, the Hayward Arts Council needed new exhibit space. Buildings need to have working ADA bathrooms and utilities for the Council to use as manned exhibit space, but unfortunately, she said, many property owners can't afford to make these improvements. That's why displaying art in windows may be a good

compromise. Ms. Taylor said another idea is to stage the window so, for example, if the desired tenant is a restaurant, tables and chairs would be used so it looks like a fake restaurant and the menu is contact information to rent the space. Ideally the property owner would pay to stage the space, but if the owner can't, she said, the BIA might consider stepping in and using marketing monies.

Member Griffin suggested the property owners be contacted first before the BIA determines budget allocations and Ms. Taylor agreed, but wanted these ideas to be part of the discussion as the Board moved forward.

Member Rodriguez said he was in favor of more events downtown. He said he was seeing more daytime traffic in his shop and people coming in from other cities. Downtown events are a great way to show people what's new, he said.

Chair Schweng said from his viewpoint, 80-90% of the budget should be spent on security. He suggested spending the majority of the budget on security for a couple of years to eliminate some of the problems associated with the residents living at the Green Shutter Hotel.

Chair Schweng was also in favor of an incentive program aimed at helping business owners install bars on windows or after-hours safety gates for storefronts. He mentioned the REI in Berkeley gated the storefront at night and even with the gate a jacket and backpack was stolen off a mannequin standing in the space between the gate and the store. Chair Schweng said helping merchants with security could help reduce crime.

Member Rodriguez commented if the Green Shutter was the source of problems downtown, why not save on security and use the money to get rid of the Green Shutter. He said eliminating crime downtown would help everyone. Chair Schweng said he would be totally fine with using part of BIA budget to bring in a community lawyer to help affected merchants determine if they should pursue litigation against the Green Shutter.

Member Griffin said the City should step in by allocating more resources for security downtown because the BIA would go through its reserves in a matter of months whether by pursuing litigation or by providing security.

Dr. Salwan, a local property owner, said he was ready to spend whatever money was necessary to help make the downtown safer and said he was open to suggestions. He also noted the City should provide more guidance to new businesses.

Ms. Carolyn Leandro, a downtown business owner, said she liked the idea of a gate to secure the storefront, but thought the City didn't want gates. She said she wished the City would change their mind.

Chair Schweng said it was his understanding that the City only allowed gates inside of the front glass. Ms. Leandro said the buildings downtown were old and it wouldn't look out of place to have gates that pulled down.

Ms. Leandro also mentioned that the lease rates for many of the dilapidated buildings downtown were too high. She said based on the condition of the buildings rates should be lowered for three or four years so new businesses could get established and then raise rents later.

Chair Schweng said many downtown landlords weren't motivated to lower rents and simply weren't good business people. He pointed out that there were downtown buildings that had been almost fully leased for the last 25 years including Dr. Salwan's office space that wasn't even located on a main thoroughfare. He said giving money to bad landlords won't help if they didn't know how to use it effectively.

Dr. Salwan said he was having problems renting some of his available office space and Chair Schweng acknowledged there wasn't a lot of demand for office space.

Economic Development Manager Taylor explained staff was working on putting together a list of local businesses and had started talking to property owners about what they expected, and how much they were willing to participate in making tenant improvements, so ED staff could help market the sites. She said private sector property owners had to be willing to make investments in their property and noted that was happening in every other downtown that was thriving. She said the shift in thinking would be gradual and noted the marketing message to businesses was the same: if you come here you will make money. She said staff was working on gathering demographics to better understand the market and would relay that information to potential businesses, but property owners had to be willing to make the changes necessary to accommodate these identified uses.

Ms. Taylor asked BIA members if they would be willing to set aside a small pool of money to help property owners with marketing and things like window clings. Chair Schweng explained that last year the BIA allocated a large marketing budget in anticipation of helping local businesses after the construction of the downtown loop.

Ms. Taylor mentioned that another idea to help keep security costs down would be an ambassador program. She said other cities with downtown associations typically didn't hire police officers but instead hired ambassadors that were identifiable by their shirts and handed out maps, visitor guides, and eyes on the street.

Mr. Amaro Diaz noted that the ambassador program in downtown Oakland that consisted of six ambassadors and one supervisor cost \$370,000; 16 ambassadors in Berkeley cost \$730,000; and San Leandro spent \$234,000, all funded by local businesses through an assessment district. Given the BIA budget, Mr. Amaro Diaz suggested discussing the ambassador program separately.

Ms. Taylor said the BIA needed to be realistic about what the current budget could pay for and what was needed in the long run. She said the BIA could at least find out what they could get for \$57,000 (the entire budget) or \$30,000 (the marketing budget) and try out a mini ambassador program for certain hours.

Chair Schweng commented that ambassadors could help with directing visitors and could call police if they see street-level crime and help answer questions for police reports, which businesses owners are too busy to do.

Member Rodriquez said because of the bicycle cop, he can visualize a lot of the problems disappearing on B Street. He said he was told the City wanted to add two more bicycle officers after they graduated from the academy. Mr. Rodriquez mentioned that most problems occurred after hours in municipal parking lots and he suggested security cameras and better lighting.

Member Griffin said until a program is started to buy out the Green Shutter, there should be a police presence in that area at all times, and not just cops passing by in police cars, because a downtown shouldn't have these kinds of problems.

When Chair Schweng suggested that removing the Green Shutter would solve all of the problems downtown, Economic Development Manager Taylor pointed out there were other pro-active actions the BIA would need to take to have downtown thrive.

Chair Schweng said the Board was all in favor of more security and he asked what percentage they were willing to spend.

Member Rodriquez questioned if the BIA should be responsible for purchasing cameras for parking lots. He said property owners and the City should contribute too. He asked staff if they could provide different options because he didn't want to spend of the BIA budget on only security.

Member Griffin read the mission of the BIA was to promote the economic revitalization and physical improvement of the downtown to attract new businesses and commented the Police Department and City needed to get involved because the BIA didn't have enough money to solve all the problems. Chair Schweng pointed out that high quality cameras would make it easier for police to identify criminals and would save him time trying to provide a description.

Ms. Taylor suggested creating an incentive program to help merchants purchase cameras by allocating a fund of money to match any amount contributed by the business owner. The more business owners who took advantage of the program, the better the entire district would be protected.

Chair Schweng said he would be open to helping small businesses, those with less than seven employees, with costs associated with security cameras or gates.

Dr. Salwan said he would be in favor of installing cameras if it would help deter crime.

VII. **Approval of Summary Notes from January 8, 2014**

Summary Notes from January 8th could not be approved without a quorum of members being present.

VIII. **Adjournment**

The meeting was adjourned at 9:15 a.m.