



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

**WEDNESDAY, APRIL 1, 2015  
CONFERENCE ROOM 2A, 8:00 A.M.**

**CALL TO ORDER**

**ROLL CALL**

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**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.)

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1. Update from Maintenance Services on Sidewalk Cleanings (**Oral Report**)
2. Downtown Community Benefits District Update
3. Finalization of FY2015-2016 DBIA Budget Allocations
4. Approval of Minutes from Jan. 7<sup>th</sup> Regular Meeting and Jan. 28<sup>th</sup> Special Meeting
5. Adjournment

**BOARD MEMBER ANNOUNCEMENTS/ REFERRALS/AND FUTURE AGENDA ITEMS**

**NEXT MEETING**

**WEDNESDAY, JULY 1, 2015**

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*\*\*\*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, 4<sup>th</sup> 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](http://www.hayward-ca.gov).\*\*\**

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CITY HALL, 777 B STREET, HAYWARD, CA 94541  
[HTTP://WWW.HAYWARD-CA.GOV](http://www.hayward-ca.gov)

April 1, 2015



**DATE:** April 1, 2015  
**TO:** Downtown Business Improvement Area  
**FROM:** Community & Media Relations Officer  
**SUBJECT:** Downtown Community Benefit District Update

## **DISCUSSION**

On March 24, the Hayward City Council adopted an ordinance amending the Hayward Municipal Code by adding Article 20 to Chapter 8 relating to the formation of Community Benefits Districts (CBD) in the City of Hayward. The enabling ordinance does not create anything; it simply outlines the parameters for doing so.

Because the actual formation of a CBD is rather long and involved, a description of the process follows.

*Formation Process (Refer to formation flow chart and table below)*

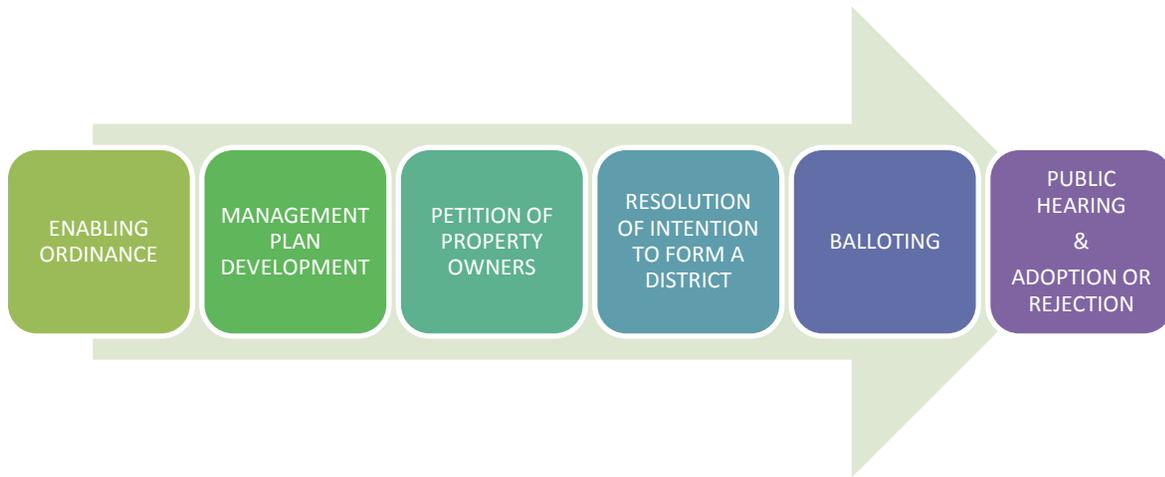
After Council adopts the enabling Ordinance, and in order to initiate the district formation, a written petition will be required to move forward. The petition must be signed only by property owners in the proposed district. The petition signatures are weighted and counted based on the percent of the total assessment each property pays, and must demonstrate support from at least fifty percent of the assessments proposed to be levied. The petition must include the specific management plan, which identifies the boundaries of the district; the specific parcels within the district; the proportional special benefit services to be provided to each parcel based upon the adoption of the Downtown Hayward Community Benefit District; benefit zones; and the amount of the special assessments to be levied. The results of the petition will indicate the property owners' initial interest and support for creation of a special benefits district. Upon receipt of this written petition, the City Council may initiate the district formation process by adopting a "resolution of intention" expressing an intent to form the district.

After the adoption of a resolution of intention, a subsequent public hearing in compliance with Prop. 218 must be held during which the City Council considers actual formation of the district, including the details contained in the management plan, the imposition of the special assessment on the identified properties, and any protests by the property owners.

Pursuant to the requirements of Prop. 218, at least forty-five days prior to the public hearing the City must mail ballots to all property owners within the proposed district so that they may cast votes in favor or against the creation of the district and imposition of the special assessment.

The district can be formed only if 50% + 1 of the valid, returned mail ballots – weighted according to the percentage of each voter’s share of the total assessment – vote in favor of the district. If the balloting process results in a weighted majority in favor of the district and the assessments, the City Council may proceed with adopting a “resolution of formation” establishing the district and levying the assessments on the benefiting parcels.

For clarity, the flowchart below outlines the basic formation steps:



The actual action steps to form the District are as follows:

STEP	RESPONSIBLE PARTY	STATUS
1. Assess strength of interest in forming the CBD – Conceptual feasibility survey	Staff and the consultant with guidance from interested property owners.	Complete
2. Enact the enabling Ordinance	City Council	In-Progress
3. Consultant writes the management district plan that lays out the special benefits to be conferred to the parcels. Includes benefit zones, costs of the services, duration of the district, management of the district, etc. The plan must be approved by the City Attorney and a registered	Consultant with input from the steering committee, the City Attorney’s office and the Assessment Engineer.	In Progress

STEP	RESPONSIBLE PARTY	STATUS
assessment engineer in the State of California. Once the Plan has been approved, the petition drive commences		
4. Completed petition from property owners indicating support for the District. At least 50% +1 of the property owners, by weight, must sign a petition of support to trigger the mail balloting process	Staff, Consultant, and property owner steering committee	Next step
5. Based on results of petition, if there is support, adopt a Resolution of Intention during a regularly scheduled City Council meeting to form a district	City Council	Future
6. Ballot materials are mailed to all property owners in the proposed District no less than 45 days prior to Public Hearing on formation of the proposed district. The City Clerk will mail out the ballots to all affected property owners within the proposed Downtown CBD	City staff, through the Clerk's Office, will monitor the entire mail balloting procedure. Property owners must mail back their ballots in sealed envelopes that cannot be opened until the public hearing is held	Future
7. Public Hearing is held.	City Council	Future
8. Based on balloting and Public Hearing, the CBD is adopted or rejected	City Council	Future

### *Why a CBD instead of a PBID?*

A CBD is simply a locally modified PBID that, in this case, simply extends the term for the district. The term CBD is commonly used to distinguish a district formed based on modifications to the PBID Law from districts that were formed according to the PBID law. Charter cities generally use a modified process to form CBDs whereas general law cities can only use the PBID process.

Modifying the requirements found in the State PBID law is recommended for the following reasons:

- CBDs can be created for a longer period of time (PBIDs are limited to an initial term of five years), which means the CBD provides a greater level of flexibility and more certainty for engagement in longer-term economic development activities. This is particularly relevant due to the end of Redevelopment. The CBD model will allow for capital improvements and long-term financing of projects, as well as a longer-term vision for the improvement of Downtown Hayward.
- The extended lifespan of a CBD (in Hayward's case fifteen years) reduces expensive consulting costs associated with renewal, including the need for City staffing support during the process. It also allows the property owners to help fund longer term projects such as public space activation, signage, and other special benefits to the district.
- CBDs can include mixed-use areas, providing for flexibility in creating districts that reflect the changing face of downtowns. All property owners, including tax exempt parcels, pay into the district.

### *Basis for the enabling ordinance*

Pursuant to the state PBID law, the district can last no longer than five years after its initial creation, but it can be renewed in additional ten year increments. Charter cities have more leeway to utilize procedures that differ from the PBID Law in establishing their respective districts.

The City's Community Benefit District Ordinance, adopted by the Council on March 24, 2015, incorporates all provisions of the State PBID law with the exception of the term of the district. As stated above, the City, as a Charter City, has the ability to modify certain elements of the State PBID law by adopting a local ordinance.

The Hayward enabling ordinance also extends the initial lifespan of the district from five years to fifteen years, as allowed by the PBID law and the City's charter authority. Importantly, the ordinance does not modify the weighted voting procedure required by Prop. 218 described above (this is a Constitutional requirement that cannot be locally modified), nor does it lower the weighted petition threshold to trigger balloting.

### *Benefits of special benefits districts*

- A CBD acts as a unifying mechanism for all stakeholders in a business district or mixed use community to voluntarily work toward a common goal - that of a vibrant business district and mixed use community. In addition, adoption of this enabling ordinance would allow for a multitude of special benefits districts (residential, industrial, common industry) throughout the Hayward community, as long as they were initiated by the benefitting property owners.
- A CBD's governance structure provides property owners with a stronger hand in affecting real and lasting changes to the downtown. As an independent 501 (c)(3) nonprofit organization, the CBD is administered by the property owners in the district, not by the City. Any improvements or services planned by the CBD must still comply with applicable permitting and zoning requirements, as well as other applicable local and state regulations.
- A CBD supports businesses through recruitment and retention activities, and promotion of the area.
- CBD funds provide services to a district based on a clearly defined management plan, including clean-up programs, enhanced landscaping and decorations, increasing safety and security, as well as public space development and management. This is particularly relevant to Downtown Hayward, which has long struggled with many of these issues.
- On a broader scale, a CBD involves those services "which confer a benefit to real property owner" over and above what a City will normally provide. Other Charter cities including San Francisco, San Diego, San Jose, Oakland, Alameda, Berkeley, and Los Angeles have already adopted similar ordinances that allow for longer term special benefit districts with more reasonable petition thresholds. Such special benefit services may include:
  - Cleaning of the public rights of way, sidewalks and gutter;
  - Steam cleaning of sidewalks in the district;
  - Additional removal of trash and bulky material;
  - Security services over and above the services of the local police force;
  - Installation of security cameras;
  - Parking services or transportation related services;
  - Economic development activities;
  - Business attraction and retention and structuring a proper commercial mix;
  - Graffiti removal;
  - Administration and advocacy on behalf of business districts or neighborhoods;
  - Beautification and decorations and special lighting;
  - Tree maintenance, planting, watering;
  - Marketing and promotion;
  - Special community or neighborhood fairs, festivals or events; and

- Public space development and management.

By law, the special assessments imposed pursuant to the CBD Ordinance may only be used to pay for the cost of improvements and services – such as those outlined above – provided within the district boundaries. Improvements or services that benefit properties outside the district boundaries, one property owner or group of property owners, or the general public cannot be funded by the special assessments paid by the property owners within the CBD.

## **NEXT STEPS**

Public outreach activities will be ongoing throughout the District formation process. Staff is scheduled to present to the Chamber of Commerce’s Government Relations Committee on April 10 and to the Chamber’s full Board of Directors on April 23. Updates will continue to be provided to the DBIA and staff will conduct outreach to the United Merchants group as well. The steering committee will continue to meet throughout this process. All property owners were initially invited to participate on this steering committee and will be included in these future meetings if they express a desire to do so.

In addition to the initial survey mailed in fall of 2014, downtown property owners have recently been mailed property verification forms with contact info for questions and comments. Property owners will soon receive a newsletter providing further information and a summary plan for the district, followed by a subsequent mailing providing the specific plan and petition. Ballots would likely be mailed to property owners sometime in June. No sooner than 45 days after mailing the ballots, the City Council will hold a public hearing to tabulate the ballots and adopt or reject the district formation and levy of the assessments.

*Prepared and Recommended by:* Frank Holland, Community and Media Relations Officer

Approved by:



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Fran David, City Manager

**DATE:** April 1, 2015

**TO:** Downtown Business Improvement Area Advisory Board

**FROM:** Micah Hinkle, Economic Development Manager

**SUBJECT:** Finalization of FY2015-2016 DBIA Budget

### **RECOMMENDATION**

Staff recommends that the Downtown Business Improvement Area Advisory Board (DBIA) make final funding recommendations to the City Council for incorporation into the City's FY 2016 Budget.

### **BACKGROUND**

At a Special Meeting held January 28, 2015, the DBIA Advisory Board voted unanimously to approve funding for all event proposals received to-date for a total of \$38,500, plus allocate an additional \$20,000 for undetermined events, for a total of \$58,500. During the Public Comments portion of the meeting, the Board received two additional event funding requests that members expressed interest in sponsoring using the unallocated event funds.

### **NEXT STEPS**

Using Attachment I, which reflects remaining reserves after event allocations, determine spending allocations including a one-time spend down of reserves.

Based on DBIA Board direction, staff will prepare budget reports for Council approval in June.

*Prepared by:* Suzanne Philis, Senior Secretary

*Recommended by:* Micah Hinkle, Economic Development Manager

Approved by:



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Fran David, City Manager

Attachments:

Attachment I      FY2016 BIA Budget

Downtown Business Improvement Area								
Financial Summary Fund 280								
Source: Munis Account Inquiry								
As of 3/27/2015								
July 1, 2014 to June 30, 2015				July 1, 2015 to June 30, 2016				
		Fiscal Year 2015			Fiscal Year 2016			Notes
		Budget	Actual*	Variance	Budget	Actual	Variance	
1	Beginning Balance	\$ (233,827)	\$ (233,827)		\$ (106,938)	\$ (124,295)		
2								
3	<b>Revenue</b>							
4	DBIA Assessment	\$ (57,000)	\$ (23,157)	\$ (33,843)	\$ -	\$ -	No Renewal of DBIA Assessment by COH	
5								
6	<b>Subtotal Revenue</b>	\$ (57,000)	\$ (23,157)	\$ (33,843)	\$ -	\$ -		
7	Transfers In	\$ (11,000)	\$ -	\$ (11,000)			\$11,000 PW Contribution	
8	<b>Total Revenue</b>	\$ (68,000)	\$ (23,157)	\$ (44,843)	\$ -	\$ -		
9								
10	<b>Expense</b>							
11	<b>Events</b>							
12	Street Parties (Third Thursday)	\$ 22,500	\$ 22,500	\$ -	\$ 24,000	\$ -	\$ -	
13	Annual Vintage Alley Car Show (9/12/15)	\$ -	\$ -	\$ -	\$ 6,000	\$ -	\$ -	
14	Mariachi Festival	\$ -	\$ -	\$ -	\$ 500	\$ -	\$ -	
15	Light Up The Season	\$ -	\$ -	\$ -	\$ 500	\$ -	\$ -	
16	Bicycle Rodeo	\$ 7,400	\$ -	\$ 7,400	\$ 7,500	\$ -	\$ -	
17	Asian Heritage Event	\$ 1,000	\$ -	\$ 1,000	\$ 1,000	\$ -	\$ -	
18	Misc. Events	\$ 1,600	\$ -	\$ 1,600	\$ 4,500	\$ -	\$ -	
19	Artscape	\$ -	\$ -	\$ -	\$ 7,000	\$ -	\$ -	
20								
21	<b>Banners</b>							
22	Banner Design	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
23	Banners (one Set)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
24	2nd Banner Rotation	\$ 25,570	\$ 25,570	\$ -	\$ -	\$ -	\$ -	
25	Additional Hardware	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
26	Banner Storage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
27	Installation Hardware	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
28								
29	<b>Marketing, Promotions &amp; Communications</b>							
30	Downtown Brochure	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
31	DBIA Website	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
32	Other	\$ 32,000	\$ -	\$ 32,000	\$ -	\$ -	\$ -	
33								
34	<b>Area Beautification</b>							
35	Sidewalk Cleaning Entire BIA Biannually	\$ 34,300	\$ 34,300	\$ -	\$ -	\$ -	\$ -	
36	Deep Cleaning/Gum Removal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
37								
38	<b>Security</b>							
39	Security Program	\$ 20,200	\$ -	\$ 20,200	\$ -	\$ -	\$ -	
40							FY15 Budgeted but not anticipated.	
41								
42	<b>Expense Subtotal</b>	\$ 144,570	\$ 82,370	\$ 62,200	\$ 51,000	\$ -	\$ -	
43	Transfers Out	\$ 50,319	\$ 50,319	\$ -	\$ -	\$ -	\$ -	
44	Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
45	<b>Total Expenses</b>	\$ 194,889	\$ 132,689	\$ 62,200	\$ 51,000	\$ -	\$ -	
46								
47	Deficiency (Surplus) of Revenues over Expenditures	\$ 126,889	\$ 109,532	\$ 17,357	\$ 51,000	\$ -	\$ -	
48							Sum of Lines 8 and 47	
49	Ending Balance	\$ (106,938)	\$ (124,295)		\$ (55,938)	\$ (124,295)		
50							Sum of Lines 1 and 47	
51	* Includes actual and encumbered amounts							

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

**REGULAR MEETING  
January 7, 2015**

**ATTENDANCE:**

<b><u>BIA Member</u></b>	<b><u>Present</u></b>	<b><u>Absent</u></b>
Benjamin Schweng*	X	
Darren Guillaume		X
Alfredo Rodriguez Jr.	X	
Joseph Davis	X	
Sid Hamadeh	X	
Syed Karim		X
Rui Li	X	

\**Chair*

**VISITORS:** Kim Huggett and Penny Hodges, Hayward Chamber of Commerce; Anna May and Kim-Yo Hsieh, Asian American Heritage Festival; Paige Ball, 2525 Vintage & Modern; Rebecca Parr, Daily Review

**STAFF:** Council Member Francisco Zermeño; Micah Hinkle, Economic Development Manager; Ramona Thomas, Economic Development Specialist; Frank Holland, Community and Media Relations Officer; Lt. Jim Denholm and Officers Craig Fovel and Aaron Runolfson, Hayward Police Department; Joe Estrada, Utility Leader; Suzanne Philis, Senior Secretary

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I. **Call to Order**

Chair Benjamin Schweng called the meeting to order at 8:02 a.m.

II. **Roll Call**

Members Guillaume and Karim absent.

III. **Public Comments**

Member Rodriguez requested that the remaining \$4,000 in unallocated DBIA funding for events be earmarked for the 2015 Vintage Alley Car Show. Chair Schweng said because the item was not on the agenda the Board couldn't take action, but said the item could be added to a future meeting agenda. Chair Schweng requested a formal proposal for the event that included a report back on participation from the first car show.

Kim Huggett, President of the Hayward Chamber of Commerce, announced the 71<sup>st</sup> Annual Awards Gala on Saturday, January 31<sup>st</sup>, and noted bicycle Officers Fovel and Runolfson, who were present, had been nominated as Police Officers of the Year. Mr. Huggett also noted coupon books were still available for the January Restaurant Month with 17 local restaurants participating. He also announced that the Light Up the Season event on

December 4<sup>th</sup> was the best attended to-date with over two dozen downtown businesses participating with extended business hours and special offers, over 800 cups of coffee and hot chocolate given away by the Salvation Army, and hundreds of letters written by local children to Santa.

Anna May announced that the December 6<sup>th</sup> SantaCon event generated \$4,000 in adoption fees for the Hayward Animal Shelter and organizers were already planning the 2015 event. She then introduced Mr. Hsieh whom she was working with to organize the 3<sup>rd</sup> Annual Asian American Heritage Festival in conjunction with Hayward Farmer's Market. She requested funding from the DBIA for the event and noted a Special DBIA Meeting would need to be held before the regularly scheduled April meeting to approve funding for the event scheduled for Saturday, May 30, 2015. Chair Schweng confirmed a Special Meeting would need to be held as soon as possible to approve funding.

Chair Schweng noted items on the agenda would be taken out of order so Police Officers Fovel and Runolfson could leave after their update of downtown police activities.

#### IV. **Election of Officers and Approval of DBIA Regular Meeting Schedule**

Economic Development Manager Hinkle introduced the item noting at the last meeting Board members had requested postponing elections until now and increasing regular meetings to bi-monthly.

Member Hamadeh requested a copy of the DBIA bylaws and zone map with street addresses be sent to all members.

Member Rodriguez expressed interest in serving as Vice Chair. Member Hamadeh expressed support for Member Schweng to continue as Chair.

Member Davis made a motion to elect Member Rodriguez to serve as Vice Chair. Chair Schweng seconded the motion. The motion carried.

Regarding the Board's request to move to bi-monthly meetings, Economic Development Manager Hinkle recommended staying with a quarterly meeting schedule noting special meetings could be called as needed.

Member Li asked how members could request a special meeting. Member Rodriguez requested a special meeting to discuss funding expenditures for events. Chair Schweng indicated he would be out of town in February and requested the special meeting include a discussion about spending budget reserves.

Chair Schweng made a motion to approve the quarterly regular meeting schedule as recommended by staff with a special meeting scheduled for January 28<sup>th</sup>. Member Rodriguez seconded the motion and the motion carried.

Regarding future event proposals, Chair Schweng requested attendance counts for past events and financial information including costs versus revenues.

Member Hamadeh requested consistent measurable criteria for all proposed events to determine impact on downtown businesses and the overall success of the event including past participation numbers.

Economic Development Manager Hinkle agreed that events seeking DBIA financial sponsorship should show how the event will benefit fee payers. Chair Schweng pointed out it would be difficult to find hard numbers to compare, for example, SantaCon with a car show.

Member Rodriguez said as long as an event draws people to the downtown it would be worth keeping. ED Manager Hinkle said the City looks at the value of events to businesses against closing streets. Member Rodriguez said no calls for service to police should be included in the criteria for the success of an event.

V. **Update on DBIA-Funded Expenditures To-Date**

ED Manager Hinkle introduced the item giving an overview of future spending strategies and past practices.

Member Hamadeh asked where DBIA fees come from and staff responded. Member Hamadeh requested copies of new business lists be sent to members.

Member Rodriguez said since Day 1 he has been asking and trying to get downtown property and business owners to clean storefronts. He asked if there was any way to make them clean up. ED Manager Hinkle said since he was new, he was introducing himself to property and business owners and using the opportunity to re-engage them in the ongoing improvement efforts downtown. He noted that overall, the City had a very low level of retail vacancies.

Member Rodriguez mentioned that business owners on Mission Boulevard, past A Street, were interested in being part of the DBIA. When staff pointed out that they don't pay any fees, he said they had never been invited and would participate if they could.

Chair Schweng said business owners should speak to their property owners about being included in the boundaries of the proposed Property-based Improvement District (PBID). ED Manager Hinkle pointed out they could always join marketing efforts and that the area considered "downtown" was pedestrian driven.

VI. **Final Review of 2015 Bike Rodeo Event**

Hayward Chamber of Commerce President Huggett explained that per the direction of the Board at the last meeting, the focus of the event had been changed to focus on downtown. Mr. Huggett said several cycling groups had already signed on with booths offering safety tips and bike repairs, he mentioned a BMX demonstration, and noted because of the change in event activities there would be additional costs for portable restrooms, trash pick-up and permits.

Member Rui asked for event hours and Mr. Huggett explained times hadn't been finalized, but said either 10am to 2pm or 3pm.

Member Hamadeh thanked Mr. Huggett for incorporating the comments from the Board and changing the event to center in the downtown. Member Hamadeh also made a correction to the minutes.

Chair Schweng said he had been unsuccessful in garnering City support for a bicycle event that would have City Council and Engineering staff ride the downtown traffic loop with community members. He said it would be an 11 minute bike ride through some of the most dangerous intersections in the East Bay. He asked Mr. Huggett to ask members of the Fremont Freewheelers if they would be interested in participating.

**VII. Update on PBID Feasibility Analysis**

Community and Media Relations Officer Holland gave a brief description of the proposed Property-based Improvement District (also referred to as a Community Benefit District), noting fee assessments would move from business owners to property owners; be assessed on all property owners including the City and BART; and would be used for services above and beyond the City's capacity. He said a survey had been conducted and responses had been extremely supportive. Mr. Holland said next steps included passing an ordinance to enable the formation of a Benefit District and continuing outreach to property owners, which would take the majority of 2015.

Mr. Holland explained that not only would assessed fees total in the hundreds of thousands, rather than the approximate \$50,000 generated in DBIA fees, and as an independent group incorporated on its own, the District property-owners would be eligible for grants.

Economic Development Manager Hinkle noted the District programs would be administered by the property owners, not the City, so response time to local demands would be much faster.

Mr. Holland noted that owners of vacant properties and absentee landlords would not be exempt and the hope was that might motivate them to take active steps to find tenants.

**VIII. Approval of Banner Replacement Program**

Community & Media Relations Officer Holland displayed slides of both the pedestrian and large banners and commented that banner designs were almost finalized.

Senior Secretary Philis said because existing hardware was starting to rust and drop, and the cost of removing or replacing the hardware was unanticipated, the total number of banners had dropped from 77 to 63. She also mentioned that because of existing signage on Main Street poles, large banners would have to replace the proposed pedestrian banners.

Ms. Philis suggested the Board consider a second rotation of banners when making their budget allocations, noting banners would only last two years if continuously hung.

Member Hamadeh asked who paid for the original hardware and Ms. Philis said it was so old she didn't know for sure, but assumed the DBIA. Member Hamadeh said Public Works should pay for hardware and Ms. Philis explained that Public Works was paying \$11,000

for the cost of replacing the hardware that was taken away when the street lights along the Route 238 Corridor Improvement had been replaced.

Member Hamadeh asked if Public Works could pay for all the hardware and Senior Secretary Philis said she could ask. Economic Development Manager Hinkle said he would ask, but wanted to move forward with program regardless. He said this was Round 1 and once banners were up the City may choose to expand the program.

Chair Schweng confirmed the banner graphics would be changing but the overall design of was set. He mentioned he would like to see a graphic that showed people out of their cars either walking or jogging or bicycling and said a downtown wasn't considered successful until women with strollers were common.

Member Rodriguez said downtown was changing, improving and he was still receiving compliments on the lights wrapping downtown trees.

Chair Schweng made a motion to approve the contract with Sierra Display and Member Davis seconded. The motion was unanimously approved.

#### IX. **Update on Downtown Police Activities**

Lieutenant Jim Denholm, new to the Northern District Command, introduced himself and the item. Officer Fovel announced the start of the V5 Camera Program noting the location of cameras; that video feed was accessible to officers via a phone app; and that cameras could be activated on demand.

Officer Fovel announced the computer gambling business on B Street across from City Hall had been closed down and the positive change to the area had been immediate both in terms of illegal activities and parking concerns.

Officer Fovel said that he and Officer Runolfson had made it a goal in 2015 to visit every downtown business on a quarterly basis and that he would be handing out special business cards to shop owners with contact information. In terms of police activity, he commented that downtown had been quiet and things were going really well.

Member Karim asked about the quality of the video feed for cameras at night. Since the V5 Camera Program only started that day, Officer Fovel said they would see that night the quality of the feed. Existing color cameras went to gray scale at night, he said, but quality was still pretty good.

Chair Schweng asked why cameras were located on private property and commented that City-owned cameras should be located at municipal parking lots. Officer Fovel explained that the Lucky parking lot was a hot spot; that City cameras were in addition to the store's camera program; and that City cameras could be moved as needed.

Member Rodriguez commented that patrons to his store had commented on how nice Hayward was and he said having Officers Fovel and Runolfson patrolling downtown on their bicycles had made all the difference.

X. **Approval of Minutes from Regular Meeting, October 1, 2014**

Minutes were unanimously approved.

Member Hamadeh commented that Public Works should be responsible for sidewalk cleaning and the DBIA budget should not be used to pay for services. Member Rodriguez said although Maintenance Services did a good job when they cleaned the sidewalks, they just didn't do it often enough. He said he cleaned the sidewalk in front of his business himself.

Senior Secretary Philis mentioned that the DBIA used to hire an outside contractor to clean sidewalks throughout the entire DBIA district twice a year. Because City staff had other duties, she said sidewalks were cleaned at night, small sections at a time or when they received a call for service. Ms. Philis said the Board could direct staff to issue a Request for Proposals to find a new outside contractor. She mentioned the next complete cleaning by Maintenance Services would take place in early May.

Member Hamadeh requested a representative from Public Works be present at the next meeting to discuss who should be responsible for cleanings. ED Manager Hinkle said it was a question of the level of service the Board wanted and the City could only provide a base service.

Chair Schweng suggested a level of service discussion with representatives from Public Works at the next meeting.

XI. **Adjournment**

The meeting was adjourned at 9:24 a.m.

<b>STAFF</b>	<b>ACTION ITEMS</b>
Econ Dev	Attendance counts for recurring events and financial information including costs versus revenues and/or event guidelines
Econ Dev	Send DBIA map, brochure and bylaws to members
Maintenance Services	Discuss level of service for DBIA district sidewalk cleanings.

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

**SPECIAL MEETING  
January 28, 2015**

**ATTENDANCE:**

<b><u>BIA Member</u></b>	<b><u>Present</u></b>	<b><u>Absent</u></b>
Benjamin Schweng*	X	
Darren Guillaume		X
Alfredo Rodriquez Jr.	X	
Joseph Davis		X
Sid Hamadeh	X	
Syed Karim	X	
Rui Li	X	

*\*Chair*

**VISITORS:** Kim Huggett, Hayward Chamber of Commerce; Anna May and Kevin Ikuma, Asian American Heritage Festival; Jackie Flynn, Hayward Rotary Club

**STAFF:** Micah Hinkle, Economic Development Manager; Ramona Thomas, Economic Development Specialist; Suzanne Philis, Senior Secretary

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**I. Call to Order**

Chair Schweng called the special meeting to order at 8:00 a.m.

**II. Roll Call**

Members Guillaume and Davis absent.

**III. Public Comments**

Anna May distributed postcards announcing the Rotary Club's "Dragon-tini" Mixer on Thursday, Feb. 26<sup>th</sup>.

Hayward Rotary Club representative Jackie Flynn announced the second annual ARTScape: an Arts Stroll and Auction, on Saturday, April 11<sup>th</sup> in the City Hall rotunda. She explained that proceeds from the event would benefit art and enrichment programs for Hayward youth. She requested \$5,000-\$7,000 in funding from the DBIA for the following year, the 2016 event.

Member Rodriquez mentioned tree leaves were clogging downtown storm drains and requested monthly street and gutter cleanings to keep drains clear.

**IV. Approval of Event Funding Requests**

Chair Schweng started the discussion with an increased funding request from the Hayward Chamber of Commerce for the 2015 Bike Rodeo from the Fiscal Year (FY) 2014-2015

budget. Hayward Chamber of Commerce President Kim Huggett reminded the Board that last year they had requested a family-friendly, athletic-based, non-alcohol event. Based on the logistical changes requested by the Board at the last meeting, he explained, the event now required portable restrooms and additional permitting. He requested an additional \$2,200.

Member Hamadeh asked what percentage of the event cost was the DBIA funding. Mr. Huggett said because it was a new event, he wasn't exactly sure, but hoped approximately half to two-thirds of the cost. Member Hamadeh indicated he was concerned about being able to fund other events and asked if there were any other funding sources the Chamber could use. Mr. Huggett said he was trying to find paying booth vendors, but found there weren't many bike-related vendors.

Member Hamadeh asked staff if additional funding could be requested after an event if costs were greater than anticipated. ED Manager Hinkle said typically events were given an "up to" allocation so additional monies wouldn't be required after the fact. He pointed out that the approved budget for events had already been fully allocated, but said funding could be pulled from other programs that hadn't been used, but shifting the money would require Council approval. ED Manager Hinkle also pointed out that events were based on the calendar year and the budget was based on the fiscal year with total revenues from assessment fees still unknown when the allocations were being made.

Member Hamadeh said he supportive of the funding increase, he just wanted to make sure it was enough. Chair Schweng said monies from the Security and Marketing allocations were still available and could be used for events.

Kevin Ikuma, representing the Asian Pacific Islander Public Affairs Association, a non-partisan grassroots organization focused on civic engagement, requested \$1,000 in funding for both the 3<sup>rd</sup> and 4<sup>th</sup> Annual Asian American Heritage Festivals, noting the contribution would provide 20% or less of needed funding. Mr. Ikuma noted the Festival would also be in partnership with the downtown Hayward Farmers' Market.

Economic Development Manager Hinkle confirmed this wasn't a new event and Mr. Ikuma said this would be the third year in Hayward.

Chair Schweng asked how many visitors the event brought downtown and Anna May said there were approximately 5,000 attendees last year and that was on a Sunday; they would expect more attendees on a Saturday. Member Rodriguez confirmed the event showed improvement from the first to the second year and Ms. May said the event would always show improvement year to year.

Member Rodriguez asked if they had considered separating from the Farmers' Market and Ms. May explained that they were separate the first year and found the partnership made the event easier and better attended the second year. She pointed out that the Asian American population also enjoyed having access to fresh produce and organizers didn't have to secure as many vendor booths.

Chair Schweng asked if organizers were seeking funding from the DBIA because expenses were growing. Mr. Ikuma explained that costs were staying about the same they just wanted to engage the City and the DBIA to make the event more successful. He said they also wanted to make this an annual event participants could plan for moving forward.

Chair Schweng expressed support for funding both events. Member Rodriguez said he also was in favor of supporting the events and said he looked forward to the success of the newest event, the 2015 Bike Rodeo, and the activity the events would bring downtown.

Member Rodriguez made a motion to fund an additional \$2,200 for the 2015 Bike Rodeo and \$1,000 for the 3<sup>rd</sup> Annual Asian American Heritage Festival from the FY14-15 DBIA budget. The motion was seconded and passed unanimously with Members Guillaume and Davis absent.

Moving on to FY15-16, Chair Schweng invited Member Rodriguez to present his funding request for the 2<sup>nd</sup> Annual Vintage Alley Car Show.

Member Rodriguez noted the last year the brand new, family-friendly event relied almost entirely on volunteers, there were no calls for service to police, and streets were left cleaner than when they started. Member Rodriguez explained that to continue, the event could not rely solely on volunteers, that an international car magazine was sponsoring the event with a full page ad, and that the event would help promote the City.

Chair Schweng asked for attendance numbers and Member Rodriguez said police estimated attendance at approximately 5,000. Chair Schweng also confirmed that funding from the DBIA would go to Vintage Alley as the organizer of the event. Member Rodriguez said any money left over would be donated. Chair Schweng pointed out that organizers were usually non-profit.

ED Manager Hinkle asked if there would be alcohol at the event and Member Rodriguez said no. ED Manager Hinkle recommended changing the organization's structure to form a non-profit or partner with a non-profit to alleviate any liability to the business especially as the event grew.

Members agreed the event was very popular and good for downtown businesses but suggested Member Rodriguez conduct due diligence on the process of forming a non-profit or create a partnership with an existing non-profit.

ED Manager Hinkle explained he was just looking at the event as a risk element and pointed out that one reason there were no complications last year was because the event didn't include alcohol. He explained that the County would not issue a permit for a private business to serve alcohol.

Chair Schweng suggested adding \$8,000 in unallocated event funding into the FY15-16 budget to provide some flexibility to groups that didn't know to request DBIA funding a year and a half early.

Chair Schweng made a motion to fund all FY2015-2016 events listed on the schedule, plus \$17,000 in unallocated event funds, with the thought that \$8,000 would be used for the 2016 Asian American Heritage Festival and the Hayward Rotary ARTScape event.

Member Rodriguez said he would like to increase the unallocated funding to \$18,000, or an even \$10,000 more than what was already earmarked for the two proposed events. Chair Schweng agreed that in the past, the DBIA had not funded new events because monies had not been allocated.

Member Hamadeh asked if the members present had authority to make this decision with two members absent and two vacancies unfilled. Chair Schweng reassured him that a quorum was present.

Members agreed to increase the motion to \$20,000 for unallocated FY2015-2016 events in addition to funding the events already listed on the agenda. Member Hamadeh made the motion, Member Rodriguez seconded, and the motion passed unanimously with Members Guillaume and Davis absent.

Chair Schweng told Ms. May that the DBIA would welcome a proposal for the 2016 Asian American Heritage Festival and she said she would gladly provide one.

Chamber of Commerce President Huggett mentioned that years ago the City had put out an RFP (request for proposals) for events and for-profit promoters wouldn't touch it. He complimented the Board on their vision for bringing people downtown and supporting their membership.

V. **Finalization of FY2015-2016 DBIA Budget**

ED Manager Hinkle provided an overview of past spending practices noting unspent allocations rolled back into the DBIA general account. He explained the Board needed to determine spending priorities and whether they wanted to dip into reserves and spend beyond the amount of revenues generated from annual fees. He reminded them that the City Council made the final approval.

ED Manager Hinkle explained the City's plan to migrate to a property-based assessment fee, known as a Property-based Improvement District (PBID), to replace the current business-based fees, would generate considerably more revenues for services above and beyond what the City could provide. He said the PBID would take more than a year to be fully functional, but suggested the Board consider spending down reserves on a wish-list project.

Member Rodriguez mentioned lighting, debris, maintenance of buildings and parking as ongoing downtown concerns.

Chair Schweng suggested spending the money on one big capital improvement to downtown. ED Manager Hinkle said to think of it as one-time money.

Member Hamadeh suggested creating a subcommittee to take a comprehensive look at the budget and then give a presentation with its recommendation to the Board in April.

Chair Schweng said the Board as a whole should decide how revenues and reserves should be spent and noted the Council didn't usually question the budget allocations before approving.

The Board discussed budget priorities. Members requested feedback from Maintenance Services that included minimum levels of service for sidewalk cleanings. All were in agreement that some money should be left in reserves.

Chair Schweng asked members to go around the room with spending priorities. Items mentioned included: thorough street and sidewalk cleaning including litter and leaf clean-up throughout the DBIA District; better signage for municipal parking; slow traffic to make downtown more pedestrian friendly; improve lighting and safety measures in parking lots; private security or additional bicycle officers; convert the Green Shutter Hotel into condos; and change existing municipal parking lots signs to say "Public Parking."

The Board discussed the impact of paid parking at the Hayward BART station and the new time limits at municipal parking lots on downtown employees. Several board members complained that municipal parking lot time limits were unreasonable given that lots were 75% empty and downtown employees were now forced to park on the street in front of businesses.

Chair Schweng requested that a representative from Public Works, Engineering and Transportation, give a presentation about downtown parking at the next meeting.

VI. **Adjournment**

The meeting was adjourned at 9:47 a.m.

<b>STAFF</b>	<b>ACTION ITEMS</b>
Public Works	Ask staff for street and gutter cleaning schedule
Public Works	Presentation on impact of paid parking at Hayward BART station