



CITY OF HAYWARD
AGENDA REPORT

AGENDA DATE 06/18/02

AGENDA ITEM 3

WORK SESSION ITEM _____

TO: Mayor and City Council
FROM: Director of Community and Economic Development
SUBJECT: Downtown Business Improvement Area Consideration of Annual Levy

RECOMMENDATION:

It is recommended that the City Council adopt the attached resolution authorizing the levy and collection of fees within the Downtown Business Improvement Area (DBIA) for the calendar year 2003.

BACKGROUND:

The DBIA exists for the purpose of undertaking improvements and activities designed to promote the business environment in downtown Hayward. Most retail, service/professional and financial institutions within the boundaries of the DBIA are assessed an annual levy which is collected by the City's Finance Department. The levy amount, as detailed in Attachment 1, varies by business license category, and by zone in which the business is located. A small minority of business license holders located within the DBIA are exempted from the levy.

In accordance with State law, the levy may be approved each year by City Council only after the adoption of an annual report which has been submitted by a Citizens' Advisory Board, and after holding a public hearing regarding the proposed levy.

On May 28, 2002, the City Council accepted the FY 2002-03 DBIA Annual Report and FY 2002-03 budget recommendations submitted by the DBIA Advisory Board. The Report projects \$45,000 to be collected from the DBIA levy. The FY 2002-03 Budget also allocates an estimated \$13,380 from the existing fund balance, as well as \$35,000 for funding by the Redevelopment Agency. Thus, the total budget allocations for the next fiscal year equal \$93,380. The DBIA's annual report recommended no changes to DBIA district boundaries, benefit zones or the method of the levy at this time.

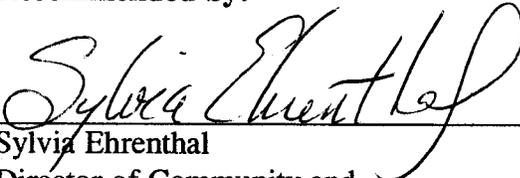
Notices of the June 18, 2002 public hearing were sent by U.S. mail to all business license holders in the DBIA (exempt and non-exempt). It is recommended that the City Council hold the public hearing to take any testimony regarding the proposed 2003 levy, and that the City Council subsequently adopt the attached resolution authorizing the collection of assessments for the calendar year 2003.

Prepared by:



Maret Bartlett
Redevelopment Director

Recommended by:



Sylvia Ehrenthal
Director of Community and
Economic Development

Approved by:

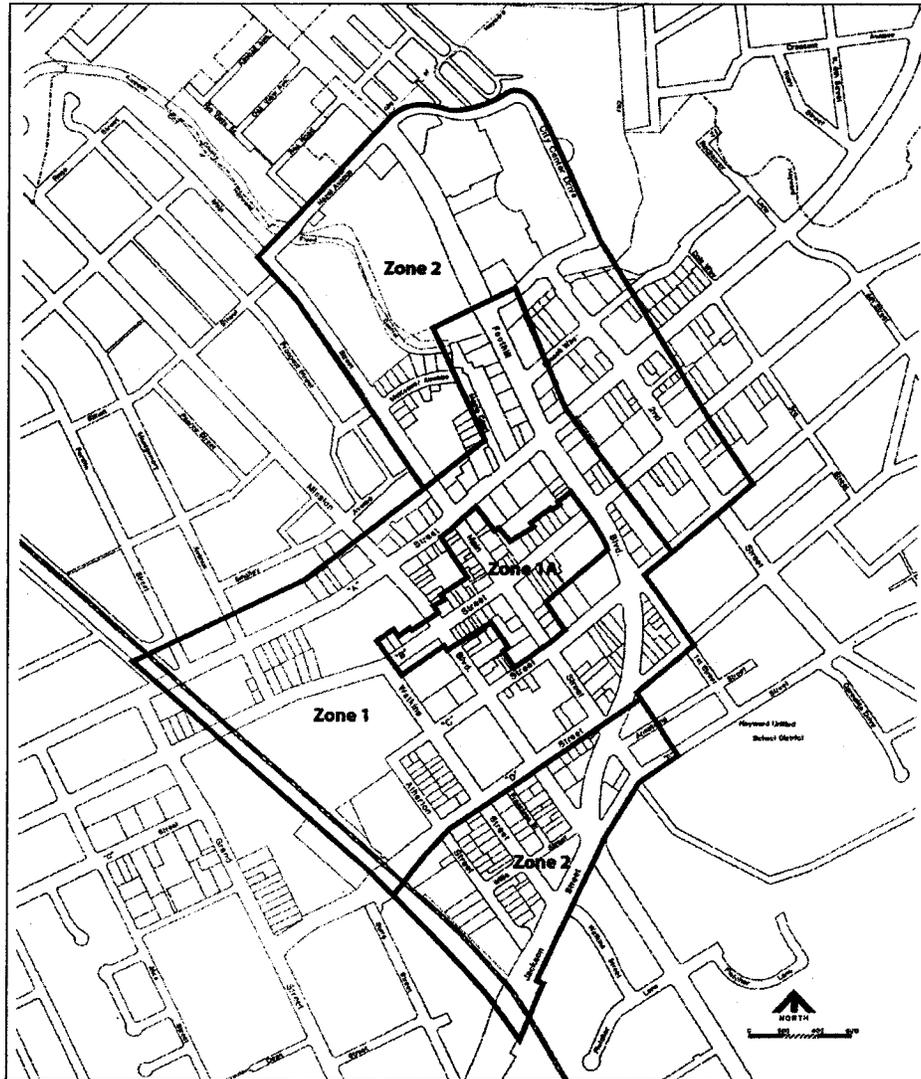


Jesús Armas
City Manager

Attachment: BIA Zone Map and Fee Structure
Resolution

ATTACHMENT 1

DOWNTOWN HAYWARD BIA CURRENT ZONES



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

DRAFT

HAYWARD CITY COUNCIL



RESOLUTION NO. _____

Introduced by Council Member _____

**RESOLUTION CONFIRMING THE ANNUAL REPORT AND
AUTHORIZING THE DOWNTOWN BUSINESS
IMPROVEMENT AREA (DBIA) LEVY AND BENEFIT ZONE
CHANGES FOR CALENDAR YEAR 2003**

WHEREAS, on May 28, 2002, the City Council accepted the FY 2002-03 DBIA Annual report which recommended changes to the benefit zones within the district and changes to the levies within each zone to achieve greater equity in the levy system; and

WHEREAS, the Council established June 18, 2002 as the date for the public hearing on the levy and provided for oral and written protests at that hearing; and

WHEREAS, the DBIA Advisory Board recommended no changes to the DBIA district boundaries, benefit ones or the method of the levy.

NOW THEREFORE BE IT RESOLVED that the City Council of the City of Hayward finds as follows:

1. The resolution of intention was appropriately adopted and the required notice of the assessment hearing given.
2. The assessment hearing has been held and all oral and written protests considered.
3. There has not been a majority protest to the assessment.
4. All properties in the district will derive benefit from the assessment in proportion to the assessment.

BE IT FURTHER RESOLVED that the Council hereby confirms the DBIA Annual Report and orders the levies contained in the report.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2002

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward