

DATE: June 22, 2010
TO: Mayor and City Council
FROM: Redevelopment Director
SUBJECT: Downtown Business Improvement Area Consideration of Annual Levy

RECOMMENDATION

That the City Council holds a public hearing to take testimony regarding the proposed 2011 levy for the Downtown Business Improvement District (DBIA), and that the City Council subsequently adopts the attached resolution (Attachment II) authorizing the levy and collection of fees within the Downtown Business Improvement Area (DBIA) for the calendar year 2011.

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 shown in the attached resolution, varies by business license category and by the zone in which the business is located. A small minority of non-profit business license holders located within the DBIA are exempt 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 submitted by the DBIA Advisory Board, and after holding a public hearing regarding the proposed levy. On June 1, 2010, the City Council accepted the DBIA Annual Report and FY 2011 budget recommendations submitted by the DBIA Advisory Board (<http://www.hayward-ca.gov/citygov/meetings/cca/rp/2010/rp060110-11.pdf>). The Report projected \$55,000 to be collected from the DBIA levy, which reflects no change from previous years.

DISCUSSION

The DBIA's Annual Report recommended no changes to DBIA district boundaries, benefit zones, or the method of the levy at this time. The DBIA levy was last modified in June 2001. DBIA Assessments are expected to remain at the same level in FY 2011 as in the current year. Given the unstable economic climate, the Board does not recommend an increase in membership fees.

FISCAL AND ECONOMIC IMPACT

The DBIA levy is collected from downtown businesses in conjunction with the annual invoicing for the City's business licenses, and there is no additional impact to the City's General Fund. Staffing for the DBIA is provided by the Redevelopment Agency at an approximate annual cost of \$92,247, including approximately 30% of the Redevelopment Project Manager's time, and 5% of the Redevelopment Director's time, and 10% of the Senior Secretary's time.

DBIA assessment revenue is currently expected to remain static at the \$55,000 level in the upcoming fiscal year. The Redevelopment Agency's annual contribution of \$55,000 is also recommended to remain constant. Finally, in order to balance the budget, \$2,140 will be transferred from DBIA reserve funds, which currently have a balance of approximately \$90,000. The total budget allocation for DBIA for FY 2011 is \$112,104, as detailed in Attachment I.

PUBLIC CONTACT

The DBIA Advisory Board met on April 7 and on May 5, 2010 to consider and adopt its Annual Report and FY 2011 budget recommendations, including the levy recommendations. The City Council approved the Annual Report on June 1, 2010.

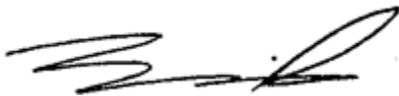
NEXT STEPS/SCHEDULE

Notice for the June 22, 2010, public hearing was published by the City Clerk on June 11, 2010, ten days prior to the public hearing. If the levy is adopted, the City will issue the billing in January 2011.

Prepared by: Gloria Ortega, Redevelopment Project Manger

Recommended by: Maret Bartlett, Redevelopment Agency Director

Approved by:



Fran David, City Manager

Attachments:

- Attachment I: FY 2011 Adopted Budget
- Attachment II: Resolution

Attachment I: FY 2011 Adopted Budget

Revenues	
BIA Assessments	\$ 55,000
Redevelopment Agency Contribution	\$ 55,000
Reserve Funds	\$ 2,140
Total Revenues:	\$112,140
Expenses	
Summer Street Parties	\$ 30,000
"Light Up The Season"	\$ 19,800
Banners – Maintenance & Rotation	\$ 14,400
Publications	\$ 16,900
Sidewalk Cleaning	\$ 31,040
Total Expenses	\$ 112,104

DRAFT

HAYWARD CITY COUNCIL

RESOLUTION NO. RA _____

Introduced by Council Member _____

RESOLUTION CONFIRMING THE ANNUAL REPORT AND
AUTHORIZING THE DOWNTOWN BUSINESS
IMPROVEMENT AREA (DBIA) LEVY FOR CALENDAR YEAR
2011

WHEREAS, on June 1, 2010, the City Council accepted the FY 2009-10 DBIA Annual report; and

WHEREAS, the Council established June 22, 2010, 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 zones 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 _____, 2010

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