



AGENDA REPORT

TO: DEANNA J. SANTANA
CITY ADMINISTRATOR

FROM: Kelley Kahn

SUBJECT: Rockridge BID FY 14/15 Annual Report & Levy

DATE: November 4, 2013

City Administrator
Approval

A handwritten signature in black ink, appearing to be 'Deanna J. Santana'.

Date

11/21/13

COUNCIL DISTRICT: #1

RECOMMENDATION

Staff recommends that the City Council adopt:

A Resolution Confirming The Annual Report Of The Rockridge Business Improvement District Advisory Board And Levying The Annual Assessment For The Rockridge Business Improvement District For Fiscal Year 2014/15

EXECUTIVE SUMMARY

State law requires that merchant-based business improvement districts (BIDs) receive approval from the City Council before levying each fiscal year's assessment. To enable the Rockridge BID to collect its FY 2014/15 assessment, the City Council would need to adopt the attached resolution confirming the district's annual report and levying the FY 14/15 assessment.

A public hearing and majority protest procedure must precede the City Council's consideration of the attached resolution. If owners of affected businesses that will pay fifty percent (50%) or more of the proposed assessments to be levied submit qualifying written protests on or before the public hearing date of December 10, 2013, then a majority protest has occurred.

If no majority protest exists, then the City Council may adopt the attached resolution. If, however, a majority protest exists, then the City Council cannot adopt the resolution to levy the FY 2014/15 assessment and no further proceedings to levy the proposed assessment shall be taken for a period of one year.

In FY14/15 the Rockridge BID will generate an estimated \$158,400 of special assessment revenues.

If the Council approves the proposed levy, assessments will be collected in accordance with the District Management Plan ("Plan") on file with the Office of the City Clerk, and the attached annual report (*Exhibit A*) submitted by the Rockridge District Association, the district.

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Council-appointed advisory board. The Plan and annual report set forth actions intended to improve the commercial climate within the district. Key activities to be funded by the special assessment include, but are not limited to, enhanced cleaning, including sidewalk cleaning; enhanced public safety, including private security services; beautified physical appearance, including installation and maintenance of decorative banners and benches; special events such as spring and summer Jazz & Wine Festivals, Rockridge Out & About and other seasonal events; and special marketing activities such as internet advertising and maintenance of a district website.

The annual report indicates no changes to the boundaries of the district or to the original method and basis of levying the assessment. The district advisory board is also recommending a temporary extension to the reduced annual assessment rate (from \$120 to \$60) for businesses grossing \$25,000 or less per year.

OUTCOME

Adoption of the attached resolution confirming the annual report and levying the FY 2014/15 Rockridge BID assessment would enable collection of next year's levy and the ongoing operation of the district.

BACKGROUND/LEGISLATIVE HISTORY

Sections 36500 *et seq.* and 36600 *et seq.* of California Streets and Highway Code provide for the formation of business and property-based assessment districts. Pursuant to this legislation, on November 9, 1999, the Oakland City Council approved Resolution No. 75323 C.M.S. which initiated a City of Oakland Neighborhood Business Improvement District (NBID) Program to provide technical assistance to qualified stakeholder groups to explore the feasibility of forming a BID within their respective commercial neighborhood(s). Pursuant to these efforts, Ordinance No. 12301 C.M.S. was passed by the City Council on November 28, 2000 to establish the Rockridge BID. In November 2013 a Resolution of Intention (ROI) to levy the FY 2014/15 assessment, approve the district's annual report, and schedule a related public hearing for December 18, 2012 was also adopted by City Council. Adoption of the ROI was a prerequisite to City Council's consideration of the attached resolution.

Other BIDs (also known as Community Benefit Districts, or, CBDs) successfully formed within the City of Oakland include those located within the Montclair (established 2001), Fruitvale (established 2001, renewed in 2006 and 2011), Lakeshore/Lake Park (established 2002, renewed in 2012), Temescal/Telegraph Avenue (established 2004), Laurel (established 2005), Koreatown/Northgate (established 2007), Lake Merritt/Uptown (established 2008), Downtown Oakland (established 2008) and Jack London (established 2013) commercial neighborhoods. BIDs are generally recognized as supporting the goals of comprehensive economic development strategies in various cities throughout the United States and designated international countries (e.g. Italy, South Africa, United Kingdom, etc.).

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Revenues generated by BIDs are used to provide a variety of special benefit improvements and services beyond those already provided by the local municipality. Examples of BID-funded special benefits include, but are not limited to, enhanced maintenance, public safety, and marketing and promotion services within affected districts. Enhanced services of this type are intended to support increased sales and business tax revenues as well as increased job opportunities and economic vitality of affected commercial neighborhoods.

ANALYSIS

There is no anticipated adverse impact associated with the approval of the proposed resolution. Adoption of the attached resolution will enable collection of the FY 14/15 special assessment for the Rockridge BID. Special benefit services provided by the BID aim to support the economic vitality of the corresponding commercial neighborhood.

Because BIDs are self-initiated, self-funded, and self-administered entities, there are no anticipated fiscal impacts for the City associated with continuance of the above-referenced BID. Given the approximate \$158,400 of special assessment funds that will be generated to support continued economic development within the affected district, the project merits consideration of City Council support.

The Rockridge BID encompasses approximately 360 businesses located in and around the Rockridge commercial area. The BID estimates an upcoming annual budget of approximately \$158,400, all of which represents projected assessments to be collected in FY 2014/15.

PUBLIC OUTREACH/INTEREST

To adopt the attached resolution, enabling legislation does not require City staff to conduct public outreach other than the required posting on the City's website. District stakeholders, however, did perform outreach necessary to secure advisory board consensus sufficient to generate the attached annual report and proposed FY 14/15 district budget (*Exhibit A* to the attached resolution).

COORDINATION

The City Administrator's Budget Office and Office of the City Attorney were consulted in the preparation of this report and/or its attachments and exhibits.

COST SUMMARY/IMPLICATIONS

No fiscal impact is anticipated to the City. The Rockridge BID (RBID) is a self-funded, self-administered entity.

However, although there are no direct fiscal impacts to the City's budget resulting from approval of the FY 14/15 Rockridge BID assessment levy, there are indirect costs associated with the general administration of the citywide BID program which include, but are not limited to, activities such as satisfying legislative reporting requirements, technical assistance to existing districts, coordination of proposed new district formations, coordination of annual levy approvals, public hearings, and required legal noticing. Such indirect costs are covered in the Department of Economic and Workforce Development's budget.

The proposed special assessment district will pay its own operating and administrative costs, including costs for assessment collections and disbursements.

If the levy is approved, the City of Oakland will conduct a special billing to collect the assessment and will remit the amount collected (minus the City's costs of collection) to the Rockridge District Association, the district's designated non-profit administrator.

Until disbursed, RBID assessments will be held in a special trust fund established by FMA on behalf of the district in Miscellaneous Trusts Fund (7999)/NCR & SDS Org (02981)/Pass Thru Assessments Account (24224)/Undetermined Project (0000000)/Rockridge BID Program (RBID).

SUSTAINABLE OPPORTUNITIES

Economic: BID assessments will fund activities which are intended to support the eventual increase of sales and business tax revenues, as well as, increased job opportunities and ongoing economic development of the affected commercial districts.

Environmental: Receipt of ongoing special assessment revenue streams will enable applicable districts to continue efforts to strengthen and beautify the physical image of the affected commercial neighborhoods by providing special benefit services such as litter pickup, sidewalk steam cleaning, landscaping, public art, directional signage and public safety capital improvements.

Social Equity: The concerned special assessment districts will incorporate members of the affected commercial neighborhood into a productive and proactive entity representing the interests of that community. Stakeholders themselves will continue to be responsible for administering revenues generated by the district which contributes to community self-empowerment and the furtherance of an additional social equity model.

For questions regarding this report, please contact Maria Rocha, BID Program Coordinator, at 510-238-6176.

Respectfully submitted,



RACHEL FLYNN,

^{Acting}
~~Kelley Kahn~~, Director
Department of Economic and Workforce Development

Reviewed by:
Aliza Gallo, Economic Development Manager
Department of Economic and Workforce Development

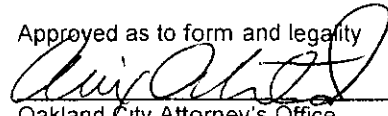
Prepared by:
Maria Rocha, BID Program Coordinator
Department of Economic and Workforce Development

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December 10, 2013

2013 NOV 25 AM 9:52

Approved as to form and legality


Oakland City Attorney's Office

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

**RESOLUTION CONFIRMING THE ANNUAL REPORT OF THE
ROCKRIDGE BUSINESS IMPROVEMENT DISTRICT ADVISORY
BOARD AND LEVYING THE ANNUAL ASSESSMENT FOR THE
ROCKRIDGE BUSINESS IMPROVEMENT DISTRICT FOR FISCAL
YEAR 2014/15**

WHEREAS, the State of California allows for the formation of business assessment districts under Street and Highways Code Section 36500 *et seq.*; and

WHEREAS, the business license holders in the Rockridge business district petitioned to form the Rockridge Business Improvement District ("District") under said legislation to undertake the Management Plan for the District ("Plan") which is on file with the City Clerk; and

WHEREAS, the Plan provides for special benefit services such as enhanced security, beautification, sidewalk sweeping, and economic development, and marketing activities with the intent of creating a positive atmosphere in the District area (as more specifically identified in the Plan); and

WHEREAS, the Rockridge Business Improvement District was established by the City Council on November 28, 2000 pursuant to Ordinance No. 12301; and

WHEREAS, pursuant to Streets and Highways Code Section 36533, the Annual Report (attached **Exhibit A**) has been prepared by the Rockridge Business Improvement District Advisory Board and filed with the City Clerk, and the City Council desires to confirm the Report, and levy the annual assessment for the Rockridge Business Improvement District for fiscal year 2014/15; now therefore be it

RESOLVED: that the Council of the City of Oakland does hereby find and determine as follows:

1. The Rockridge Business Improvement District was established in the Rockridge area of the City of Oakland, California as a parking and business improvement area

pursuant to Street and Highways Code section 36500 *et seq.* with the boundaries as specified in the Plan on file with the City Clerk.

2. Pursuant to Streets and Highways Code Section 36535, a Public Hearing was held on December 10, 2013, to hear all public comments, protests, and take final action as to the levying of the proposed assessments for the District for the fiscal year 2014/15. The City Council finds that there was no majority protest as defined in the Street and Highways Code Section 36500 *et seq.*
3. The Annual Assessment Report for the District is approved and confirmed.
4. The City Council approves and adopts the assessments as provided for in the Plan and the Annual Report of the Advisory Board and does hereby levy and direct the collection of the assessments for the 2014/15 fiscal year as provided for in the Annual Report in accordance with the assessment formula as provided for in the Plan and Annual Report.
5. The proposed method and basis of levying the assessments to be levied against each business in the District are those specified in the Plan and Annual Assessment Report on file with the City Clerk. For the fiscal year 2014/15 assessment a sub-classification of businesses that earn annual gross receipts of \$25,000 or less is proposed to be created with a temporarily reduced fee for that assessment year of \$60. Such sub-classification is proposed to be temporarily created to reduce the number and expense of processing hardship partial fee waiver requests, and the reduced fee amount would not apply to future assessment years unless renewed in the annual assessment resolution for such future years.
6. The time and manner of collecting assessments shall be at the same time and in the same manner as for the annual business tax billings and may provide for the same penalties for delinquent payment. The City may use the same process and procedures for the collection of delinquent assessments as it uses to collect delinquent business tax billings or such other processes and procedures as are convenient to complete such collection and may reimburse itself out of the proceeds collected for the costs of such collection. The assessments shall be coordinated with the City of Oakland's annual business tax billing cycle, and shall be included along with the annual business tax notifications, or in a supplemental notice following thereafter if, for any reason, they are not ready or cannot be included along with the business tax notices. Supplemental notices shall be permissible for new businesses or for correction or supplementation of prior notices.
7. The boundaries of the District shall remain the same as specified in the Plan on file with the City Clerk and there are no changes to the boundaries or benefit zones.
8. The types of the improvements and activities proposed to be funded by the levy of assessments on businesses in the area are those specified above in this Resolution

and more specifically as described in the Plan and the Annual Report on file with the City Clerk. There are no substantial changes in the improvements or activities for the District.

9. Until disbursed, BID assessments will be held in a special trust fund established by the City on behalf of the Rockridge Business Improvement District in: Miscellaneous Trusts Fund (7999), Neighborhood Commercial Revitalization & Service Delivery System Organization (02981), Pass Thru Assessments Account (24224), Undetermined Project (0000000), Rockridge Business Improvement District Program (RBID).
10. The City Administrator is hereby authorized to enter into annual contracts and related amendments for the security, marketing, maintenance, or other activities and improvements for the District, or to conduct or contract for such services and Improvements as provided for in the State of California Streets and Highways Code Section 36500 *et seq.*

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 20____

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, GALLO, GIBSON McELHANEY, KALB, KAPLAN, REID, SCHAAF and
PRESIDENT KERNIGHAN

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California

Exhibit A

(To the Resolution to Levy the FY 2014/15 Rockridge BID Assessment)

Rockridge Business Improvement District
Annual Report To The City Of Oakland
For The Fiscal Year 2014-2015

Pursuant to California Streets and Highways Code Part 6
Parking and Business Improvement Area Law of 1989
Chapter 3, Section 36533

I. Proposed changes in the boundaries of the parking and business improvement area or in any benefit zone within the area.
There are no proposed changes to the boundaries of the Rockridge Business Improvement District

II. Improvements and activities to be provided for in fiscal year 2014/2015.

Please see the attached budget, which will outline the improvements and activities to be funded and provided in the upcoming fiscal year through Feb 28, 2015.

III. Estimate of the cost of providing the improvements and activities for fiscal year 2014/2015.

Please see attached budget.

IV. Method and basis of levying the assessment.

The fee structure for assessments will remain as previously approved, including the change in classifications of businesses by temporarily creating a sub-classification for businesses that earn annual gross receipts of \$25,000 or less. Businesses which fall into this sub-classification would pay an annual assessment fee of \$60.00. This is not a property based district, therefore property owners are not assessed.

V. The amount of any surplus or deficit revenues to be carried over from the previous fiscal year.

The district anticipates no surplus or deficit.

VI. The amount of any contributions to be made from sources other than assessments levied.

The Rockridge Business Improvement District will seek sponsorship funds for our promotional and beautification efforts.

VII. Annual Renewal Notice.

The annual notice will be mailed to all members in good standing on/before 10/12/13.

"Per council adoption of the Rockridge ordinance in November 2000, the Governing Council (Advisory Board) of the Rockridge BID shall annually 45 days before the anniversary of the establishment of the Rockridge Business Improvement District Ordinance give the assessees of the District written notice of their rights to disestablish the district and the process therefore, and shall report that they have done so each year in the annual report to the Council."

Please contact Henry C. Levy, Treasurer of the Rockridge Business Improvement District, should you have any questions regarding this report.

October 2, 2013



- o Welcomed several new businesses into our District. Chris Jackson provided them information and support.
- o We continue to work with the City to have benches reinstalled as well as to improve the tree wells along the College Avenue.
- o Continued to market Rockridge as a "destination" spot to "Shop, Dine and Stroll"
- o Participated in Earth day at locations along College Avenue.
- o Co-sponsored Claremont Middle School Pancake Breakfast Fundraiser again where we helped raised over \$4,000 for the school- for the fourth year.
- o Sponsored both a Winter (Feb) and a Spring (May) Sounds of Music in Rockridge
- o Sponsoring the 2013 Out & About in Rockridge on October 6th
- o Co-sponsoring the Halloween Parade with RCPC on October 27, 2013
- o Sponsoring holiday events and promoting "Shop Local" during the holiday season.
- o Sent out hundreds of Constant Contact emails disseminating information and Merchant Alerts keeping our members informed and up to date.
- o Provided event posters and advertising opportunities via East Bay Express and Local On and Oakland Magazine
- o Continued to upgrade our website initiating new advertising opportunities for our Members through improved use of social media via East Bay Express and Local On.
- o Once again brought "The Rockridge in the Snow Event" to Rockridge BART the Saturday after Thanksgiving,
- o Continue to provide street and sidewalk cleaning, graffiti removal and security services for the District.
- o We have especially worked closely with Captain Toribio of OPD to abate crime in the District
- o Sponsored a December Holiday Breakfast for Members at Oliveto's
- o Working with OPD staff we sponsored Merchant Watch Sessions for the membership.
- o We have met and worked with both our new Council Member Dan Kalb and with our new BART Director, Rebecca Saltzman to further improve the District.

Rockridge district association

5435 College Ave Ste 200 • Oakland • CA 94618
• Phone 510-604-3125 •
chrs@rockridgedistrict.com • www.rockridgedistrict.com

Rockridge District Association a RBID
Board 2013-2014

Board Member Name:	Business:	Business Address:	Phone:(510)	Email Address:	Elected/Re-Elected
Beverly McArthur	First Federal Savings & Loan	6058 College	652-9500	mcarthurbeverly35@yahoo.com	2012
Henry Levy	Hank Levy Group, CPA	5940 College	652-1000	hank@hlecpa.com	2011
Joyce Gardner	FIT	5707 College	923-0784	fitclothing@att.net	2012
Louise Rothman-Riemer	DHR Investment Counsel	5435 College Ste 200	596-2580	louise@dhrcounsel.com	2011
Susan Bernosky	Strahan Ins Svcs Inc.	5940 College	450-9050	susan@susanbernosky.com	2012
Veronica Bhonsle	VERO	6052 College	985-0406	ybhonsle@aol.com	2011
Maggie Klein	Oliveto	5655 College	547-5356	maggie@oliveto.com	2013
Laurie Field	Lauren G Field	5332 College Ste100	658-2525	laurenfield@gmail.com	2013
Robin Pennell	Jarvis Architects	5278 College Ave	654-6755	ropennell@jarvisarchitects.com	2013
Tom Ginty	Community Member			tom.ginty@raymondjames.com	2013
Other:					
Chris Jackson	Operations Mgr		604-3125	chris@rockridgedistrict.com	
Tuula Tilander	Bookkeeper		550-4200	tuula@shastapro.com	
Michael Kilian	Taxes / Review		414-2536	mkilian@gmail.com	
Former Members:					Date left Board
Brian Marsmäker	Pavé Fine Jewelry	5496 College	547-7000	brian@pavefinejewelry.com	2012
Bill Chung	Rockridge Café	5492 College	589-6472	billwchung@gmail.com	2012
Austin Davis	Pride Chiropractic	6245 College	831-566-1101	austindavisdc@gmail.com	2012
Liz Taylor	Tootsies Rockridge	5525 College	595-7272	tootsiesrockridee@gmail.com	2012
Sara Wilson	Market Hall	5655 College	250-6061	swilson@mhfoods.com	2012
Thelma Harris	Thelma Harris Art Gallery	5940 College	654-0443	tharrisartgallery@msn.com	2011
Jessica Pitt	Resident				
Joe Garrett	Resident				
Matthew Krohn	Resident				
Grant Overbridge	Diesel				
Elizabeth	Dreyers				
Claudette	Agatha				
Jan Christensen	Christensen Heller Gallery	5829 College	655-5952		
Jennifer Kaplan	Rockridge Home	5418 College	420-1928		
Maggie Klein	Oliveto				
?	Ben N Nicks				

RDA, a Rockridge Business Improvement District

Proposed Budget

March 2014 to February 2015

Gross BID Revenue	\$158,400
City of Oakland- Loan Repayment	-\$2,550
City of Oakland- Collection Cost	-\$4,000
City of Oakland- Noticing	-\$850

Total Income \$151,000

Expense

Organization	\$62,000
Marketing & Promotion	\$34,000
Streetscape & Security	\$55,000
Total Expense	\$151,000