

REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND
AGENDA REPORT

2007 JUN 26 PM 3:01

To: Office of the City/Agency Administrator
Attn: Deborah Edgerly
From: Community and Economic Development Agency
Date: June 26, 2007

Re: A Resolution Authorizing And Allocating A \$38,965 Grant To The Unity Council From Coliseum Redevelopment Area Funds For The Provision Of Security Services To Properties In The Fruitvale Property Business Improvement District From January 1, 2007 Through December 31, 2007

SUMMARY

A resolution has been prepared authorizing and allocating a \$38,965 grant to the Unity Council from Coliseum Redevelopment Area funds for the provision of security services to properties in the Fruitvale Property Business Improvement District (PBID) located within the boundaries of the Coliseum Redevelopment Area for a twelve month period beginning January 1, 2007 to December 31, 2007. Generally the boundaries of the Fruitvale PBID within the Coliseum Redevelopment Area include International Boulevard (29th to 42nd Avenues) and Fruitvale Avenue (International Blvd to E.12th Street). The \$38,965 grant will pay for approximately half the cost of security for a one year period which is \$78,000. The Fruitvale PBID will pay the other half at \$38,965 and the Unity Council will fund the difference of \$70 through matching grants from other sources. The \$78,000 will pay for two unarmed security guards working four hour shifts, five days per week for fifty-two weeks. The Unity Council is the management entity of the Fruitvale Property PBID of 2006 and is responsible for coordinating the services provided by the BID. The Unity Council is requesting the security grant on behalf of the Fruitvale PBID.

FISCAL IMPACT

Funding for the \$38,965 grant will be allocated from Coliseum Operations Fund (9450), Coliseum Redevelopment Organization (88659), Miscellaneous Services Account (52921), Coliseum Project (S82600). Redevelopment grant funds will be matched with an equal amount, \$38,965, provided by the Fruitvale PBID of 2006 and the Unity Council will fund the difference of \$70 through matching grants providing a total of \$78,000 for private security for one year.

BACKGROUND

The Resolution to establish the Fruitvale Property BID of 2006 was approved by the City Council in July 2006 (Resolution No. 80059 C.M.S.) and it began operating in January 2007. The district encompasses 39 blocks along International Boulevard, Fruitvale Avenue, Foothill Boulevard as well as portions of the Fruitvale Transit Village along E.12th Street between 33rd and 35th Avenues. The Fruitvale PBID includes approximately 300 properties, half of which are

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in the Coliseum Redevelopment Area and half of which are in the Central City East Redevelopment Area. The Unity Council manages the Fruitvale BID of 2006 which has an annual operating budget of approximately \$324,713. The District operations began in January 2007 and will end in December 31, 2011. The services funded by the Fruitvale PBID for the 2007 calendar year include:

- Enhanced cleaning \$168,851 (52%),
- Security \$ 38,965 (12%) and
- Marketing \$ 94,167 (29%).

The remainder of the budget, \$22,730 (7%), is allocated to fees and a contingency for uncollected assessments for a total annual operating budget of \$324,713.

The total cost of security for the five year term of the Fruitvale PBID is \$390,000 ($\$78,000 \times 5$ years = \$390,000). The Unity Council allocated \$38,965 for security in the Fruitvale PBID budget for 2007 as outlined in the Management Plan. They propose to allocate a total of \$194,825 ($\$38,965 \times 5$ years = \$194,825) from the Fruitvale PBID budget for the five year term of the District. This amount covers approximately half of the cost of security for the term of the District. The Unity Council requests a \$38,965 grant from Coliseum Redevelopment Area funds as matching funds for security for the five year term of the Fruitvale PBID, for a total of \$194,825 ($\$38,965 \times 5$ years = \$194,825). The Unity Council proposes to fund the balance of \$70 a year through other matching grants for a total of \$350 ($\70×5 years = \$350) for the term of the Fruitvale PBID of 2006.

As noted above, the total cost for private security is \$78,000 a year. This amount will pay for two unarmed security guards working four hour shifts five days per week for fifty-two weeks ($\$37.50 \times 2$ guards $\times 4$ hours $\times 5$ days $\times 52$ weeks = \$78,000). Security guards work from 3:00 p.m. to 8:00 p.m. Tuesday through Friday and 2:00 p.m. to 7:00 p.m. Saturday and Sunday. Guards do not work on Monday when a majority of the businesses are closed. This schedule was developed with input from the merchants and the Oakland Police Department (OPD) and was based on timeframes when most crimes occurred. Private security has been a service provided by the Fruitvale Property-based BID which was established in 2000 and ended in December 2006 and continues to be a service provided by the Fruitvale PBID of 2006. Merchants and the OPD Problem Solving Officers assigned to the area recounted to the Unity Council that crime has been reduced in the area covered by the Fruitvale PBID as the result of private security. The Unity Council convenes meetings with the security guards, their supervisor, OPD, and Fruitvale Ambassadors to discuss issues and concerns identified by merchants and collectively develop strategies to address certain nuisance crimes. The Unity Council reported that OPD views the private security guards provided by the Fruitvale PBID as an important additional component to address public safety concerns in the district.

Based on the information provided by the Unity Council, the economic need has not been demonstrated to support a grant of \$194,825 for the five year term of the Fruitvale PBID. Staff

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recommends providing a \$38,965 grant for security for the 2007 calendar year to be matched with \$38,965 from the Fruitvale PBID and \$70 from the Unity Council.

KEY ISSUES AND IMPACTS

There is no anticipated adverse impact associated with the award of a \$38,965 Redevelopment Agency grant to the Unity Council for the provision of security to the Fruitvale PBID for a twelve month period beginning January 1, 2007 to December 31, 2007.

SUSTAINABLE OPPORTUNITIES

Economic: The security services provided by the Unity Council to the Fruitvale PBID are intended to decrease crime and increase public safety in the Fruitvale commercial district creating an environment for the eventual increase of property values, sales and business tax revenue as well as increased job and economic development opportunities.

Environmental: The security services provided by the Unity Council to the Fruitvale PBID will continue to operate in a collaborative manner with the OPD, merchants and neighborhood organizations to identify and address nuisance crimes that adversely impact a safe neighborhood environment.

Social Equity: PBIDs incorporates property owners and local businesses into a productive and proactive entity representing the interests of the community. Administration of the cash flow generated by the District itself contributes to the local entrepreneur self-empowerment and provides enhanced services for the overall physical and economic betterment of the district.

DISABILITY AND SENIOR CITIZEN ACCESS

Approval of the Resolution has no direct implication for disability and senior access. However, public safety which is a service provided by the Fruitvale PBID makes the area safer and more accessible to all visitors, including senior citizens and disabled persons.

RECOMMENDATION(S) AND RATIONALE

Approval of the attached resolution will enable the Unity Council to leverage funds allocated by the Fruitvale PBID to pay for the cost of providing security for one year to the properties in the Fruitvale PBID located in the Coliseum Redevelopment Area. Security services provided by the Fruitvale PBID have effectively attributed to reduced nuisance crimes in the district.

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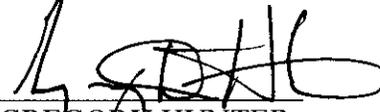
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ACTION REQUESTED OF THE CITY COUNCIL

It is requested that the Redevelopment Agency approve the Resolution to authorize and allocate a \$38, 695 grant to the Unity Council from Coliseum Redevelopment Area funds for the provision of security services to properties in the Fruitvale PBID located in the Coliseum Redevelopment Area from January 1, 2007 through December 31, 2007.

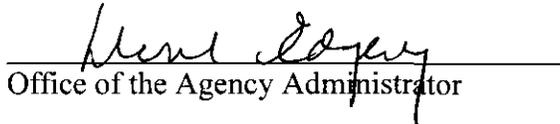
Respectfully submitted,



GREGORY HUNTER
Interim Director of Redevelopment,
Economic Development, Housing and
Community Development

Prepared by: Stephanie Floyd-Johnson, Manager
Neighborhood Commercial Revitalization Unit
Economic Development Division

APPROVED AND FORWARDED TO THE
COMMUNITY AND ECONOMIC DEVELOPMENT
COMMITTEE:

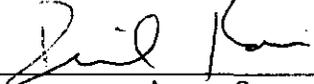


Office of the Agency Administrator

OFFICE OF THE CITY CLERK

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Approved as to form and legality:

By: 
Agency Counsel

REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND

RESOLUTION No. _____ C.M.S.

A RESOLUTION AUTHORIZING AND ALLOCATING A \$38,965 GRANT TO THE UNITY COUNCIL FROM COLISEUM REDEVELOPMENT FUNDS FOR THE PROVISION OF SECURITY SERVICES TO PROPERTIES IN THE FRUITVALE PROPERTY BUSINESS IMPROVEMENT DISTRICT FROM JANUARY 1, 2007, THROUGH DECEMBER 31, 2007

WHEREAS, on July 18, 2006, pursuant to Resolution No. 80059 C.M.S., the City Council approved the establishment of the Fruitvale Property Business Improvement District of 2006 (the "PBID" or the "District"), and it began operating in January 1, 2007, for a five year period ending December 31, 2011; and

WHEREAS, the Fruitvale PBID encompasses properties along Fruitvale Avenue from E. 12th Street to Foothill Boulevard, on Foothill Boulevard from Fruitvale Avenue to High Street, on International Boulevard from 29th to 42nd Avenues and on E. 12th Street from 33rd to 35th Avenues, approximately one-half of which is located in the Central City East Redevelopment Project Area and one-half is located in the Coliseum Redevelopment Project Area; and

WHEREAS, the Fruitvale PBID contracted with the Unity Council to manage the district and to coordinate service delivery as per the Management Plan ("Plan") including the provision of security/crime prevention, maintenance and marketing for the five year term of the District; and

WHEREAS, the Unity Council budgeted approximately half (\$38,965) of the \$78,000 cost of security for a twelve month period beginning January 1, 2007, and ending December 31, 2007, in the Plan for 2007; and

WHEREAS, the Unity Council is seeking matching funds in the amount of \$38,965 from the Redevelopment Agency to provide security services to the properties in the District located within the boundaries of the Coliseum Redevelopment Project Area; and

WHEREAS, funding for the \$38,965 is available in Coliseum Operations Fund (9450), Coliseum Redevelopment Organization 88659, Miscellaneous Services Account (52921), Coliseum Project (S82600); and

WHEREAS, a high crime rate that constitutes a serious threat to public safety and welfare is identified in the California Community Redevelopment Law as an economic condition that causes blight; and

WHEREAS, the provision of security services in the District will help alleviate high crime rates in the Coliseum Redevelopment Project Area that contribute to conditions of blight in the Area; and

WHEREAS, the funding of security services in those portions of the District located in the Coliseum Redevelopment Project Area will benefit the Coliseum Redevelopment Project Area and will serve a redevelopment purpose by preventing or eliminating economic blight conditions in the Coliseum Redevelopment Project Area that are caused by high crime rates; now therefore, be it

RESOLVED: That the Redevelopment Agency hereby authorizes the Agency Administrator or his or her designee to provide a grant in an amount not to exceed \$38,965 to the Unity Council to be used as matching funds for the provision of security services to properties in the Fruitvale PBID within the Coliseum Redevelopment Project Area from the period beginning January 1, 2007, to December 31, 2007; and be it

FURTHER RESOLVED: That the Agency hereby allocates \$38,965 from Coliseum Operations Fund (9450), Coliseum Redevelopment Organization (88659), Miscellaneous Services Account (52921), Coliseum Project (S82600) for this purpose; and be it

FURTHER RESOLVED: That all grant documents shall be reviewed and approved by Agency Counsel for form and legality prior to execution; and be it

FURTHER RESOLVED: That the Agency hereby appoints the Agency Administrator or his or her designee, as the agent of the Agency to conduct negotiations, execute documents, administer the grant, and take any other action with respect to the grant and the project consistent with this Resolution and its basic purpose.

IN AGENCY, OAKLAND, CALIFORNIA, _____, 2007

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, AND
 CHAIRPERSON DE LA FUENTE,

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
 LATONDA SIMMONS
 Secretary of the Redevelopment Agency
 of the City of Oakland