

OFFICE OF THE CITY CLERK

2005 DEC -1 PM 12:59

**CITY OF OAKLAND
COUNCIL AGENDA REPORT**

TO: Office of the City Administrator
ATTN: Deborah Edgerly
FROM: Community and Economic Development Agency
DATE: December 13, 2005
RE: RESOLUTION APPROVING AND CONFIRMING THE ANNUAL REPORT OF THE LAKESHORE/LAKE PARK BUSINESS IMPROVEMENT MANAGEMENT DISTRICT ADVISORY BOARD AND THE CONTINUING ANNUAL ASSESSMENT FOR THE LAKESHORE/LAKE PARK BUSINESS IMPROVEMENT MANAGEMENT DISTRICT FOR FISCAL YEAR 2005/06

SUMMARY

Pursuant to the City of Oakland's Business Improvement Management District (BIMD) Ordinance (Ordinance No. 12190 C.M.S., 1999) and the Neighborhood Business Improvement District Program (Resolution No. 75323 C.M.S., 1999) a resolution approving and confirming the annual report of the Lakeshore/Lake Park Business Improvement Management District advisory board and the continuing annual assessment for the Lakeshore/Lake Park Business Improvement Management District for fiscal year 2005/06 has been prepared.

The City Council must adopt the attached resolution to approve on-going services within the district.

FISCAL IMPACTS

No new fiscal impact is anticipated for the City. The Lakeshore/Lake Park BIMD is a self-funded, self-administered entity. It will pay all of its own operating costs and will be cost neutral to the City. As such, all costs for assessment collections and disbursements will continue to be paid for by the district.

The County of Alameda will add the assessment as a line item to the annual property tax bill of each affected property owner and remit the amount collected less the County's collection fee (approximately 1.7% of total assessment) to the City. The City, in turn, disburses the funds to the district, pursuant to a written agreement between the City and the district's non-profit management corporation, less the City's costs of processing the disbursement.

Until disbursed, BID assessments will be held in a special trust fund established by the City's Finance and Management Agency. The trust fund number for the Lakeshore/Lake Park BID is: Miscellaneous Trusts Fund (7999)/Neighborhood Commercial Revitalization & Service Delivery System Organization (88569)/Pass Thru Assessments Account (24224)/Undetermined Project (0000000).

BACKGROUND

The Lakeshore/Lake Park BIMD was established on July, 16, 2002, (Resolution No.77280 C.M.S) for a period of ten years. Because this is a property-based district, an annual public hearing is not required as it is for a business-based business improvement district.

The district encompasses approximately 47 parcels along 5 blocks of Lakeshore and Lake Park Avenues as well as portions of nearby Rand Avenue and Wesley Way.

Collections for the district are projected at approximately \$143,035 for the upcoming fiscal year.

Revenues generated by BIMDs are applied to a variety of local improvements and services beyond those already provided by existing municipal services. Examples include enhanced maintenance services, security, marketing and promotions, special events, parking and transportation services, economic development activities, capital improvements, and human services.

The BIMD model for economic development has been successfully used in other commercial neighborhoods throughout the country and throughout Oakland, including the Laurel district (established 2005), the Temescal/Telegraph Avenue district (established 2004), the Fruitvale district (established 2001), the Montclair district (established 2001), and the Rockridge district (established 2000).

KEY ISSUES AND IMPACTS

There is no anticipated adverse impact associated with the approval of the proposed resolution.

In terms of positive impacts, adoption of the resolution will enable the Lakeshore/Lake Park BIMD to continue providing enhanced district services which lead to increased property, sales and business tax revenues as well as increased job opportunities and the improved economic development of commercial neighborhoods.

PROGRAM DESCRIPTION

Planned services for FY 2005/06 are outlined in the annual report filed by the Lakeshore/Lake Park BIMD advisory board and include a security program to reduce street disorder and prevent crime; a street and banner maintenance program including trash removal, landscaping, and sidewalk cleaning; and promotion of special events. These

program activities build on the efforts and successes of the previous Lakeshore BIMD which worked to revitalize the area from 1997 to 2002.

SUSTAINABLE OPPORTUNITIES

Economic: The proposed levy will fund activities which are intended to support the eventual increase of property, sales, and business tax revenues as well as increased job opportunities and economic development of the Lakeshore/Lake Park commercial district.

Environmental: The proposed levy will enable the Lakeshore/Lake Park BIMD to continue its efforts to strengthen and beautify the physical image of the existing neighborhood commercial area through the use of enhanced sidewalk, street cleaning and maintenance. Attractive new banners, directional signage and holiday decorations will also uplift and unify the district's appearance.

Social Equity: BIMDs incorporate all members of a business community into a productive and proactive entity representing the interests of that community. Administration of the cash flow generated by the district itself contributes to local merchant self-empowerment and provides enhanced services for the overall physical and economic betterment of the district.

DISABILITY AND SENIOR ACCESS

Passage of the proposed resolution has no direct implications for disability and senior access. However, the BIMD's efforts toward revitalization may encourage businesses to continue to abide by applicable state, federal and local codes and legislation regarding disability and senior access. Improved public safety and security provided by the BIMD could also serve to make the area safer and more accessible to all visitors, including senior citizens and persons with disabilities.

RECOMMENDATION(S) AND RATIONALE

Adoption of the attached resolution will support the continuance of the Lakeshore/Lake Park BIMD and its planned activities.

Such business improvement districts represent a proactive effort on the part of neighborhood business owners to improve the conditions and image of their area and to assist in the economic revitalization and physical maintenance of their respective commercial corridors.

Additionally, because BIMDs are self-initiated, self-funded, and self-administered entities, there are no anticipated fiscal impacts for the City associated with continuance of the Lakeshore/Lake Park BIMD, other than those already provided for in previous legislation.

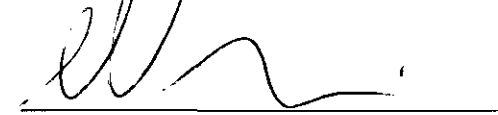
Consequently, the Lakeshore/Lake Park BIMD should be viewed as a positive self-help model for other neighborhood commercial areas. Accordingly, staff recommends that the

City Council adopt the resolution confirming the annual report of the Lakeshore/Lake Park BIMD advisory board and the continuing annual assessment for the Lakeshore/Lake Park BIMD for fiscal year 2005/06.

ACTION REQUESTED OF THE CITY COUNCIL

The action requested of the City Council is to adopt the resolution confirming the annual report of the Lakeshore/Lake Park BIMD advisory board and the continuing annual assessment for the Lakeshore/Lake Park BIMD for fiscal year 2005/06.

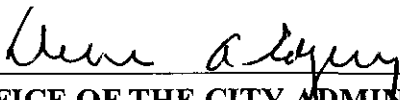
Respectfully submitted,



Daniel Vanderpriem
Director of Redevelopment,
Economic Development and Housing

Prepared by:
Maria Rocha, Urban Economic Analyst III
Neighborhood Commercial Revitalization

APPROVED AND FORWARDED TO THE
COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE



OFFICE OF THE CITY ADMINISTRATOR

EXHIBIT A
(to the resolution approving and confirming the FY05/06
annual report and continuing assessment)

**Lakeshore/Lake Park Avenues Annual Report to the City Council
Projected Plan for 2005/06**

1. Proposed changes in boundaries of BIMD.

None.

2. Improvements and activities provided during fiscal year 2004-2005.

The sidewalks and gutters are cleaned daily on Lakeshore and Lake Park. The sidewalks are steam cleaned at least once a month.

A private security officer patrols every day from noon until 7 PM including holidays.

A landscape company plants and maintains the tree well gardens as needed. They water as needed during the dry season.

The administrator visits and meets regularly with merchants and local residents, bringing their concerns to the Advisory Board and city and county agencies. The administrator is attempting to get resolution from city staff on concerns of inadequate garbage collection and enforcement of city ordinances requiring merchants to remove garbage containers after collection. This year the administrator has spent innumerable hours working with merchants and residents to resolve the problems associated with the months long county flood control project.

New holiday banners will be designed and installed this year due to assistance from the city's marketing division. The BIMD changes out the banners three times a year, including across the street garlands, during seasonal changes.

The Advisory Board works with the merchants on holiday events three times a year, supporting activities, and funding necessary expenses.

This year the BIMD assisted local residents to install a new pocket park between the Longs store and the Albertson parking lot.

3. Improvements to be provided during the fiscal year 2005-2006.

All activities described above will be maintained and event assistance to the merchants will be expanded if all property owners in the district pay their assessments and back assessments. The Advisory Board hopes to stage a street fair in the coming year and plans on assisting the Grand Lake Farmers' Market in its events.

4. Estimate of the cost of providing services.

Please see attached budget, including reserves held out until all assessments are paid.

5. Method and Basis of Levying the Assessment.

The assessments will be collected by Alameda County and turned over to the City Treasury Office which forwards them to the Lakeshore/Lake Park Advisory Board. The basis for assessment will increase by 2% as per Resolution 77280, Section 10, passed by the City Council in July of 2002, which states that "The district shall be in existence for a period of 10 years during which a maximum 5% increase per year shall be allowable upon the determination and recommendation of the District Advisory Board for increased costs of operating the District as provided in the Plan." Incorporating the 2% as provided, this figures out to frontage charges of \$22.743 per linear foot per year and lot size charges per square foot of \$0.260 per year factored together.

The Advisory Board deems the increase necessary to cover the costs to increase the scope of sidewalk and gutter cleaning services to ameliorate the problems caused by faulty city garbage cans and to clean the small city park space between Longridge and Trestle Glen Roads (which the city is not maintaining).

6. Surplus or Deficit for fiscal year 2004/05.

It is anticipated that approximately \$10,961 will carry forward from the previous fiscal year into the FY2005/06 budget. These funds will be used to maintain a reserve in case of the continued non-payment of a large property owner.

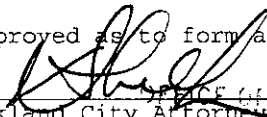
7. Contributions from other sources.

None.

**Lakeshore Avenue Business Improvement District
Post Office Box 16268 ~ Oakland, California 94610**

LAKESHORE/LAKE PARK BIMD PROPOSED BUDGET FOR 2006	
Description	Amount
<i>Income</i>	
Estimated BID Collections (2% Increase)	\$143,035.00
Total Income	\$143,035.00
Carry Forward 2005 (Reserve for Nonpayment) (Interest Bearing)	\$10,961.00
Total Available Funds	\$153,996.00
<i>Expenses</i>	
Administration	\$37,000.00
Annual Meeting	\$950.00
Beautification:	\$13,100.00
Banners - \$1,000.00	
Gardeners - \$11,100.00	
Lights - \$1,000.00	
City & County Collections Cost (1.7%)	\$2,432.00
Contingency (Reserve)	\$3,853.00
Dues & Fees	\$300.00
Insurance	\$2,700.00
Maintenance: Sweepers; Steam Cleaners	\$26,000.00
Office Expenses	\$1,500.00
Professional Expenses	\$1,200.00
Promotions; Capital Improvements	\$8,000.00
Security	\$45,000.00
Utilities	\$500.00
TOTAL	\$143,035.00
Reserve For Nonpayment -- Year-End Balance	\$10,961.00
Total Expenditures	\$153,996.00

SHB:cm
2006budget.doc

Approved as to form and legality

OFFICE OF THE CITY CLERK
Oakland City Attorney's Office

OAKLAND CITY COUNCIL 2005 DEC -1 PM 12: 59

RESOLUTION NO. _____ C.M.S.

RESOLUTION APPROVING AND CONFIRMING THE ANNUAL REPORT OF THE
LAKESHORE/LAKE PARK BUSINESS IMPROVEMENT MANAGEMENT DISTRICT
ADVISORY BOARD AND THE CONTINUING ANNUAL ASSESSMENT FOR THE
LAKESHORE/LAKE PARK BUSINESS IMPROVEMENT MANAGEMENT DISTRICT FOR
FISCAL YEAR 2005/06

WHEREAS, the City of Oakland Business Improvement Management District Ordinance allows for the formation of business improvement management districts (Chapter 4.48, Ordinance 12190, 1999); and

WHEREAS, the City Council approved a Neighborhood Business Improvement District ("NBID") Program pursuant to Oakland City Council Resolution No. 75323, dated November 9, 1999, to provide technical and financial assistance to stakeholder groups of business owners in the City to assist in the formation of such districts; and

WHEREAS, the property owners in the Lakeshore/Lake Park business district petitioned to form the Lakeshore/Lake Park Business Improvement Management 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 new security, crime prevention, beautification, parking resolution, sidewalk sweeping, economic development, lighting, 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 Plan was prepared in accord with the provisions of the law overseeing the formation of the District as referenced above, and has been filed with the City; and

WHEREAS, pursuant to the requirements of the law the Lakeshore/Lake Park Business Improvement Management District was established by the City Council on July 16, 2002 pursuant to Ordinance Number 77280; and

WHEREAS, the Annual Report (attached as EXHIBIT A) has been prepared by the Lakeshore/Lake Park Business Improvement Management District Advisory Board and filed with the City Clerk, and the Annual Report includes a determination and recommendation

by the District Advisory Board for a permitted 2% increase in the amount of the annual assessment which is authorized by Resolution 77280 C.M.S. (July 16, 2002) for increased operating costs and does not constitute a new or increased assessment over the amount previously authorized by Resolution 77280; and

WHEREAS, the City Council desires to approve and confirm the Report, and the continuing annual assessment for the Lakeshore/Lake Park Business Improvement Management District for fiscal year 2005/06 including the 2% increase in the amount of the annual assessment recommended by the District Advisory Board; and

WHEREAS, until disbursed, BID assessments will be held in a special trust fund established by the Finance and Management Agency on behalf of the Lakeshore/Lake Park Business Improvement Management District in trust fund number: Miscellaneous Trusts Fund (7999)/Neighborhood Commercial Revitalization & Service Delivery System Organization (88569)/Pass Thru Assessments Account (24224)/Undetermined Project (0000000).

NOW, THEREFORE, the Council of the City of Oakland does hereby find and resolve as follows:

1. The Lakeshore/Lake Park Business Improvement Management District was established in the Lakeshore/Lake Park area of the City of Oakland, California as a Business Improvement Management District pursuant to the City of Oakland Business Improvement Management District Ordinance (Chapter 4.48, Ordinance 12190. 1999) with the boundaries as specified in the Plan on file with the City Clerk.
2. The Advisory Board for the District was duly appointed by Resolution of the City Council and has filed its Annual Report for the 2005/06 fiscal year as required by law.
3. The Annual Assessment Report and the continuing annual assessment for the District for the 2005/06 fiscal year is hereby approved, adopted, and confirmed including the 2% increase in the amount of the annual assessment recommended by the District Advisory Board.
4. The City Council confirms, adopts, and approves the continuing annual 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 2005/06 fiscal year as provided for in the Annual Report and the Plan in accordance with the assessment formula as provided for in the Plan and Annual Report including the 2% increase in the amount of the annual assessment recommended by the District Advisory Board.
5. The proposed method and basis of levying the assessments to be levied against each property in the District have not been

changed, increased, or modified and are those specified in the Plan and Annual Report on file with the City Clerk which were previously adopted after holding a public meeting and a public hearing and protest procedure as provided for by law.

6. The assessment shall be attached to the property and collected with the annual county property taxes, and in certain cases, as specified in the Plan, through a special municipal billing.
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 property in the area are those 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. The assessments for the entire District total approximately \$143,035 for the 2005/06 fiscal year of the District, and the amount chargeable to each parcel shall be as determined by the Plan and Annual Report on file in the office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 20__

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID and PRESIDENT DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

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