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OAKLAND
2015 DEC 23 PM 4:25

AGENDA REPORT

TO: Sabrina B. Landreth
City Administrator

FROM: Mark Sawicki
Director, EWD

SUBJECT: Rockridge BID Annual Report and
FY 2016-2017 Levy Approval

DATE: December 14, 2015

City Administrator Approval

Date:

12/23/15

RECOMMENDATION

Staff Recommends That 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 2016-2017.

EXECUTIVE SUMMARY

State enabling legislation requires that merchant-based business improvement districts (BIDs) receive City Council's approval before levying each fiscal year's assessment. Therefore, for the Rockridge BID to collect its Fiscal Year (FY) 2016-2017 assessment, City Council must adopt the attached Resolution to levy the FY 2016-2017 Rockridge BID assessment. The attached resolution also confirms the district's annual report to the City.

If the proposed assessment is approved, the Rockridge BID will generate an estimated \$158,400 of special assessment revenues in FY 2016-2017. Funds will be used to pay for special benefit services outlined in the Rockridge BID District Management Plan (the "Plan") on file with the Office of the City Clerk and the attached annual report (attached as **Exhibit A** to the Resolution), prepared and submitted by the Rockridge District Association, the district's City Council appointed advisory board. Key services include, but are not limited to: enhanced cleaning and public safety services, including private security services; district beautification, including installation and maintenance of decorative banners and benches; special seasonal events such as Rockridge Out & About; and marketing and promotion activities such as internet advertising and maintenance of a district website.

BACKGROUND / LEGISLATIVE HISTORY

Sections 36500 *et seq* of California Streets and Highway Code provides 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

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City Council
January 5, 2016

Oakland Neighborhood Business Improvement District (NBID) Program to provide technical assistance to qualified stakeholder groups to explore the feasibility of forming a Business Improvement District (BID) within their respective commercial neighborhood(s). Pursuant to these efforts Ordinance No. 12301 C.M.S. was passed by City Council on November 28, 2000 to establish the Rockridge BID.

Streets and Highways Code Division 18 (commencing with section 26500) also requires that merchant-based business improvement districts (BIDs) receive City Council's approval before levying each fiscal year's assessment. Therefore, to enable the Rockridge BID to collect its Fiscal Year (FY) 2016-2017 assessment, on December 8, 2015, a Resolution of Intention (ROI) to levy the FY 2016-2017 Rockridge BID assessment, approve the district's annual report, and schedule a related public hearing for January 5, 2016 was also adopted by City Council. Adoption of the ROI was a prerequisite to City Council's consideration of the attached Resolution to approve the FY 2016-2017 levy. The related public hearing must take place no less than 10 days and no more than 30 days after adoption of the ROI. Following the public input portion of the hearing City Council will take final action on the proposed levy.

The billing period for the proposed levy will be January 1, 2016 through December 31, 2016. Services to be paid for by the above billing and collections will also occur on a January 1, 2016 through December 31, 2016 fiscal year basis per the attached proposed budget (attached as **Exhibit A** to the attached Resolution).

If the City Council approves the proposed FY 2016-2017 assessment, the Rockridge BID will generate an estimated \$158,400 of special assessment revenues, which is the same as in FY 2015-2016.

The assessment is based on two variables that include business gross receipts and business type.

The annual report does not propose any changes to the boundaries of the district or to the method and basis of levying the assessment approved by the City Council for FY 2015-2016.

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

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, renewed in 2014), Laurel (established 2005, renewed in 2015), 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

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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.).

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, as well as 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 AND POLICY ALTERNATIVES

There is no anticipated adverse impact associated with the approval of the proposed resolution. Adoption of the attached resolution will approve the FY 2016-2017 special assessment for the Rockridge BID. The special benefit services provided by the BID aim to support the economic vitality of the corresponding commercial neighborhood.

Since 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 private funds that will be generated to support continued economic development within the affected district, the project merits consideration of City Council support.

Proposed Small Business Fee Adjustment

The Rockridge BID encompasses approximately 360 businesses located in and around the Rockridge commercial area and estimates an upcoming annual budget of approximately \$208,400, which includes \$158,400 of projected assessments to be collected in FY 2016-2017 and \$50,000 of carryforward from the prior fiscal year. For the FY2016-2017 assessment, a sub-classification of businesses that earn annual gross receipts of \$25,000 or less is proposed to be created with a reduced fee for that assessment year of \$60 (instead of \$120). Such sub-classification is proposed to reduce the number and expense of processing hardship partial fee waiver requests. The reduced fee amount would not apply to future assessment years unless renewed in the annual assessment resolution for such future years.

FISCAL IMPACT

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

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. The City's cost of collection is based on actual Finance Management Bureau staff time and materials expended. Collection costs are calculated and charged to the district by the Finance Management Bureau. It is currently anticipated that FY 2016-2017 collection costs will be approximately \$3,100.

Until disbursed, Rockridge BID assessments will be held in a special trust fund on behalf of the district in Miscellaneous Trusts Fund (7999)/NCR & SDS Org (85411)/Pass Thru Assessments Account (24224)/Undetermined Project (0000000)/Rockridge BID Program (RBID).

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 2016-2017 district budget (attached as **Exhibit A** to the Resolution of Intention).

COORDINATION

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

SUSTAINABLE OPPORTUNITIES

Economic: Rockridge 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 on-going economic development of the affected commercial districts.

Environmental: No specific environmental opportunities have been identified.

Social Equity: BIDs incorporate all members of an affected business owner community into a proactive entity with the financial resources to productively influence their shared environment which may be compatible with some aspects of various social equity models.

ACTION REQUESTED OF THE CITY COUNCIL

Staff recommends that 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 2016-2017.

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

Respectfully submitted,



Mark Sawicki, Director
Economic and Workforce Development Department

Prepared by:
Maria Rocha, BID Program Manager
Economic Development

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MEETING OF THE
OAKLAND CITY COUNCIL

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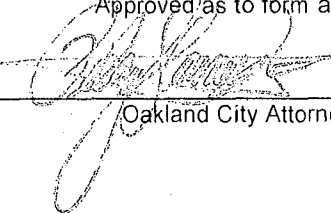
~~CEB Committee~~

~~December 1, 2015~~

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2015 DEC 23 PM 4:27

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 2016-2017**

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 C.M.S, as amended.; and

WHEREAS, pursuant to Streets and Highways Code Section 36533, the Rockridge Business Improvement District Advisory Board has prepared and filed with the City Clerk, the Annual Assessment Report (attached **Exhibit A**) ("Report"), which contains the required particulars including a detailed description of the improvements and activities to be provided for the 2016-2017 fiscal year, the boundaries of the area and any benefit zones within the area, and the proposed assessments to be levied upon the businesses within the area for the 2016-2017 fiscal year; and

WHEREAS, the City Council desires to confirm the Report, and levy the annual assessment for the Rockridge Business Improvement District for fiscal year 2016-2017; and

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JAN - 5 2016

WHEREAS, on December 8, 2015, the City Council Adopted a Resolution of Intention to levy the fiscal year 2016-2017 assessment, approve the district's annual report, and schedule a related public hearing for January 5, 2016, as required by Government Code section 36534; 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 January 5, 2016, 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 2016-2017. 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 2016-2017 fiscal year as provided for in the Annual Assessment Report in accordance with the assessment formula as provided for in the Plan and Annual Assessment Report.
5. The proposed method and basis of calculating 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 2016-2017 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 (instead of the \$120 fee). 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 described in the Plan and the Annual Assessment 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), Economic Development Organization (-85411), 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, CAMPBELL WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, REID, and
PRESIDENT GIBSON McELHANEY

NOES-

ABSENT-

ABSTENTION-

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

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Exhibit A

(To the Resolution to Levy the FY 2016-2017 Rockridge BID Assessment)

**Rockridge Business Improvement District
Annual Report To The City Of Oakland
Relating to the Fiscal Year 2016-2017**

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 fiscal year 2016-2017

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, 2016

III. Estimate of the cost of providing the improvements and activities for fiscal year 2016-2017

See attached budget.

The RDA has expenses that do not recur on an annual basis. Examples are Tree Trimming, Surveillance Cameras, Banners, Signage. Currently we have bids for 30K for trees, 20K for cameras and 15K for Banner additions and replacements. These items will recur every 3-5 years and funds for these and similar expenditures will be reserved/ accumulated in a Capital Projects line item under the existing Streetscape and Security program category.

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.

Our fiscal year ends on 2/28. The first disbursement of assessments occurs on 4/30. Funds have been kept to cover recurring expenses for March and April.

Additionally, in 2011 we were concerned with the declining economy and unsure of the amount of assessment that would be coming in. In 2013 we discovered that many of our businesses were not receiving assessment bills - over 50 businesses, many for the past 4 years. With improved economy and improved tracking of assessed businesses we have found ourselves with additional funds. These are the reasons for the projected \$50K carryforward which will be spent on Tree Trimming/Surveillance Cameras/ Signage/Banners and the like. We anticipate similar carryforwards in future years to cover the types of Capital Project expenditures described above that do not occur annually but which require accumulation of funds over a period of 3-5 years.

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.

In 2014, City Council approved an amendment to this requirement. Starting in 2014 the notice has to be sent every 5 years. The notice will be sent again in 2018 as the last notice was sent in 2013. Section 12 of the amended Ordinance 12301 C.M.S. now states:

The Governing Council (Advisory Board) of the Rockridge BID shall annually 45 days before the anniversary of the establishment of Rockridge Business Improvement District Ordinance give the assesseees of the District written notice of their rights to seek disestablishment of the district and the process therefore. Commencing with the year 2014, said notice shall no longer be required annually, but shall be given once every five years, with the next notice to be sent 45 days before the District's formation anniversary in the year 2018. In their annual report to Council, the Advisory Board shall report that they have provided this notice.

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

September 29, 2015

RDA, a Rockridge Business Improvement District
Proposed Budget
March 2016 to February 2017

Income

Gross BID Revenue	\$158,400
Capital Projects Carryforward	<u>\$50,000</u>
Total Income	\$208,400

Expense

Organization	\$72,000
City of Oakland- Collection Cost	\$2,400
City of Oakland- Noticing	\$1,100
 Marketing & Promotion	 \$37,900
 Streetscape & Security	 \$45,000
Capital Projects	<u>\$50,000</u>
Total Expense	\$208,400



The Rockridge District Association is doing the following to improve the District:

1. Working closely with our new community resource OPD officer.
2. Negotiating to increase manual sidewalk and street cleaning from twice monthly to four times per month.
3. Continuing to pay for District-wide tree trimming.
4. Collaborating with the local neighborhood group Rockridge Community Planning Council to add or replace 13 street trees within the District.
5. Replacing light pole District banners and adding others in new locations.
6. Co-sponsoring Claremont Middle School's pancake breakfast fundraiser, this year raising over \$5,000.
7. Working with the City of Oakland to repaint light and signal poles within the District.
8. Producing an updated Shop/Dine/Stroll brochure.
9. With Shasta Productions, producing an annual street fair, "Out and About."
10. Providing the security personnel to patrol the District during the holiday shopping season.
11. Continuing to work with our web-hosting company LocalOn to help promote our District and our members.
12. Combining forces and increasing dialog with Rockridge Community Planning Council to build a stronger neighborhood.
13. Producing the yearly "Rockridge in the Snow," an event to thank the community as well as to bring shoppers back to The Avenue to kick off the holiday shopping season.
14. Putting together a grant program to help our members install on-street security cameras for crime reduction and to support the Oakland Police Department.
15. Working with a landscaping company to refresh our tree wells with decomposed granite, improving pedestrian safety and the appearance of the Avenue.
16. Continuing to improve safety with our member email alerts.
17. Continuing to promote member events via our email group.
18. Continuing to address parking safety issues within the District.
19. Working with AC Transit and the City of Oakland to reconfigure the No. 51 bus route.
20. Working with the City of Oakland to increase parking options for visitors and members.
21. Working with BART to refresh the station plaza area and improve lighting.
22. Producing a professional-member stand-alone brochure.
23. In conjunction with RCPC, sponsoring the annual Halloween parade.
24. Continuing to add holiday decorations to more of the District.
25. Working with the community and Safeway to mitigate parking problems around the Claremont Ave. intersection of College Ave.
26. Creating a public-private partnership between the City of Oakland and District property owners to help eliminate sidewalk tripping hazards.
27. Working with the City of Oakland to install a bike carousel and more individual bike racks.

Rockridge District Association, a Rockridge Business Improvement District

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• Phone 510-604-3125•
chris@rockridgedistrict.com • www.rockridgedistrict.com



28. Aggressively pursuing many varied advertising and media opportunities to help promote the District, including those with: *East Bay Express*, *Rockridge News* winter insert, *Visit Oakland*, *Oakland Magazine*, *Where Magazine*, the RDA website, RDA's group email, use of the Nextdoor email LISTSERV, *Chinook Book*, and the *Woodminster Playbill*.
29. RDA Board members continue to log many hours of unpaid volunteer time to help keep the District neighborhood moving forward.

Rockridge District Association a RBID
Board 2015-2016

	Board Member Name:	OY	Business:	Business Address:	Phone:(510)	Email Address:
1	Henry Levy	2003	Hank Levy Group, CPA	5940 College	652-1000	hank@hlgcpa.com
2	Joyce Gardner	2006	FIT	5707 College	923-0784	fitclothing@att.net
3	Louise Rothman-Riemer	1999	DHR Investment Counsel	5435 College Ste 200	596-2580	louise@dhrconsult.com
4	Susan Bernosky	2006	Strahan Ins Svcs Inc	5940 College	450-9050	susan@susanbernosky.com
5	Veronica Bhonsle	2005	VERO	6052 College	985-0406	vbhonsle@aol.com
6	Maggie Klein	2013	Oliveto	5655 College	547-5356	maggie@oliveto.com
7	Laurie Field	2013	Lauren G Field	5332 College Ste100	658-2525	laurenfield@gmail.com
8	Robin Pennell	2013	Jarvis Architects	5278 College Ave	654-6755	rpennell@jarvisarchitects.com
9	Open					
10	Open					

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