



# AGENDA REPORT

**TO:** Jestin D. Johnson  
City Administrator


**FROM:** Ashleigh Kanat  
Director, Economic &  
Workforce Development  
Department

**SUBJECT:** Laurel Business Improvement District  
Public Hearing

**DATE:** June 12, 2025

---

City Administrator Approval

  
Jestin Johnson (Jun 17, 2025 18:38 PDT)

Date:

Jun 17, 2025

---

## **RECOMMENDATION**

**Staff Recommends That The City Council Conduct A Public Hearing And Upon Conclusion Adopt A Resolution Making A Determination Regarding Any Protests Received For The Laurel Business Improvement District 2025 (Laurel BID 2025), Approving The Laurel BID 2025 Management District Plan, Approving The Assessments For The Laurel BID 2025, Directing Recording Of The Proposed Assessment District Boundary Description, Establishing The Laurel Business Improvement District 2025, And Appointing The Advisory Board For The Laurel BID 2025.**

## **EXECUTIVE SUMMARY**

Adoption of the proposed resolution will enable the formation of the Laurel Business Improvement District 2025 (Laurel BID 2025). These types of property-based business improvement districts (BIDs) provide opportunities for property owners to support the vitality of their commercial neighborhoods. In the Laurel district, a BID was originally formed in 2005 and renewed in 2015. This proposed resolution would establish a renewal for 20 years.

The proposed Laurel BID 2025 would generate special assessment revenues of approximately \$262,718.00 per year, with possible annual increases of up to eight (8) percent, for a period of 20 years, or up to approximately \$11.7 million over the 20-year life of the district. Effective dates of the assessment will be July 1, 2025 through June 30, 2045, and related special benefit services will be provided January 1, 2026, through December 31, 2045. The use of these funds would be consistent with the Laurel Business Improvement District Management District Plan (**Exhibit A** to the proposed resolution) and could include but is not limited to safety, cleaning, marketing, government/community relations, administration, and management services within the district.

City Council  
July 1, 2025

The City Council may approve formation of the Laurel BID 2025 and the assessment if, at the close of the July 1, 2025 Public Hearing, a majority protest is not established. A majority protest exists if, upon the conclusion of the Public Hearing, ballots submitted in opposition to the establishment of the Laurel BID 2025 and corresponding property assessment exceed the ballots submitted in favor. In tabulating the ballots, the votes must be weighted according to the proportional financial obligation upon the affected property. If, however, a majority protest does not exist, then the City Council may consider adopting the proposed resolution to establish the proposed BID.

## **BACKGROUND / LEGISLATIVE HISTORY**

In 1999, the City Council adopted the City of Oakland (City) Business Improvement Management District Ordinance (Ordinance No. 12190 C.M.S., codified as [Chapter 4.48 of the Oakland Municipal Code](#)) which allows for the formation of property-based special assessment areas, called BIDs. BIDs are geographically defined and are managed through a private/public partnership which administers and oversees enhancement services, activities and programs above the existing municipal services. The management of the BID services are paid for through the special assessment charged to all property owners within the district.

The City Council also authorized initiation of the Neighborhood Business Improvement District Program in 1999 (Resolution No. 75323 C.M.S.) to assist neighborhood representatives in their efforts to form such districts.

On July 19, 2005, the City Council adopted [Resolution No. 79380 C.M.S.](#) to form the Laurel BID in 2005, for a period of 10 years, ending December 31, 2015. On July 7, 2015, the City Council adopted [Resolution No. 85682 C.M.S.](#) to renew the Laurel BID of 2016. The Laurel BID has been providing services above the City's baseline level of service to improve the neighborhood experience within the boundary of the district by making the area cleaner and more inviting and enhancing the economic vitality of the Laurel commercial district for 20 years.

On December 3, 2024, the City Council adopted [Ordinance No. 13821 C.M.S.](#), amending Oakland Municipal Code Chapter 4.48 Business Improvement Management Districts Section 4.48.080 to increase the maximum BID term from 10 Years to 20 years. The Laurel BID is the first to seek renewal or formation since this change.

On April 14, 2025, the City Council adopted [Resolution No. 90684 C.M.S.](#), a Resolution (1) Declaring An Intention To Form The Laurel Business Improvement District 2025 (Laurel Bid 2025); (2) Granting Preliminary Approval Of The Laurel Bid 2025 Management Plan; (3) Directing Filing Of The Proposed Laurel Bid 2025 Assessment District Boundary Description With The City Clerk; (4) Directing Distribution Of A Ballot To All Affected Property Owners In The Proposed Laurel Bid 2025 To Determine Whether A Majority Protest Exists; (5) Scheduling A Public Hearing For July 1, 2025.

Section 4.48.190 of the Oakland Municipal Code requires the City Council to appoint an Advisory Board which shall make a recommendation to the City Council on the expenditure of revenues derived from the levy of assessments, on the classification of properties applicable, and on the method and basis of levying the assessments. The Oakland Municipal Code allows the City Council to designate existing advisory boards or to create a new advisory board for that

purpose. The proposed Advisory Board for the proposed Laurel BID 2025 will be the Board of Directors that administers the existing Laurel BID; the recommended new Laurel BID 2025 was prepared at its direction.

## **ANALYSIS AND POLICY ALTERNATIVES**

Since 2005, the Laurel BID has played a key role in the on-going economic development of the Laurel commercial district. The Laurel BID is one of eight property-based BIDs in Oakland. Collectively, these districts have contributed to Oakland's economic development, including enhanced services and activities supporting marketing, placemaking, security, cleaning services, and economic development activities focused on retention and business attraction. As more mixed-use development occurs in Oakland commercial zones, residential property owners have also begun to benefit from special benefit services provided by BID special assessment districts. As such, the cumulative impact of BIDs continues to grow, making them an increasingly useful tool for supporting broader revitalization efforts in Oakland's commercial neighborhoods.

The initiative taken by district stakeholders to continue the proposed special assessment district also represents a productive step towards community self-empowerment as well as an opportunity to cultivate additional public-private investment partnerships and enhanced economic development activity in the City's core commercial neighborhoods.

If approved by the affected property owners under the procedure set forth primarily in Oakland Municipal Code section 4.48.070, the proposed Laurel BID 2025 will generate approximately \$262,718.00 in Fiscal Year (FY) 2025-26, and up to approximately \$11.7 million over the 20-year term of the district, if allowable eight percent annual increases to the assessments are taken starting in year two (FY 2026-27).

If formation of the Laurel BID 2025 is not approved, the special assessment would not occur. Given the limitations on municipal funding and a growing need to identify alternate economic development revenue sources, the proposed special assessment district could be considered a reasonable leveraging of public funds. Special benefit services to be provided by the proposed district are intended to improve the conditions of the affected commercial corridor and to stimulate ongoing economic revitalization consistent with City Council goals and objectives. Formation of the Laurel BID 2025 advances the Citywide Priority of **housing, economic and cultural security**.

## **FISCAL IMPACT**

There is no fiscal impact at this time because the City does not own any property in the district. If the City acquires additional affected properties during the course of the BID's proposed 20-year term, then funding sources for related assessments owed will be identified as part of the City's ongoing biennial and mid-cycle budget development processes.

The written agreement between the City and the designated non-profit BID management corporation provides for an administrative fee to be charged to the Laurel BID to help recover

the City's costs of administering the BID program. This fee will be 3% of the assessments collected, and will be divided equally between the Economic and Workforce Development Department and the Treasury Bureau to offset the cost of staffing support. The administrative fee does not fully offset the City's costs in recognition that the assessments generated by the districts create benefits beyond the cities' administrative costs, as they tend to generate increased foot traffic, sales taxes, and business taxes.

If the Laurel BID 2025 and corresponding special property assessment are approved, the City Treasury Division would provide invoices to any tax-exempt entities that are not on the County of Alameda's property tax roll. For taxable entities, the County of Alameda would add the assessment as a line item to the annual property tax bill of each affected property owner and remit the amount collected to the City and booked into Miscellaneous Trust Fund (7999), Treasury Operations Organization (08721), Pass Thru Assessments Account (24224), DP080 Administrative Project (1000007), Laurel BID Program (BIDL). The City, in turn, will disburse the funds to the BID, pursuant to a written agreement between the City and the BID's designated non-profit management corporation.

Lastly, if the Laurel BID 2025 is formed, program guidelines state that the City is expected to maintain a base level of service within the district equivalent to the level of service prior to formation of the assessment district. Maintaining baseline services, however, commits no additional City funds beyond what already exists. Proportional reductions to baseline services may occur resulting from changes in the City's overall financial condition.

### **PUBLIC OUTREACH / INTEREST**

For the City Council to adopt the proposed resolution establishing the Laurel BID 2025, enabling legislation requires completion of a required public hearing, including legal noticing, and a majority protest procedure as described above. BID stakeholders also performed the outreach needed to secure property owner petitions sufficient to trigger the above-referenced majority protest procedure (i.e., supportive petitions signed by property owners representing more than 30 percent of the total Laurel BID 2025 proposed assessments were submitted to the City in April 2025). City and BID stakeholder outreach is also ongoing to answer any questions affected property owners may have regarding the district formation process and to encourage the highest level of participation possible for the related special election (i.e., the majority protest procedure).

### **COORDINATION**

The City Controller and Revenue Management Bureaus of the Finance Department, the Office of the City Attorney and the City Clerk's Office were consulted in the preparation of this report.

### **SUSTAINABLE OPPORTUNITIES**

**Economic:** The proposed assessment 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 on-going economic development in the Laurel BID 2025 commercial district.

**Environmental:** The proposed levy will enable the district to provide a safe, clean and walkable district of the affected commercial neighborhood by providing special benefit services such as enhanced sidewalk cleaning, graffiti removal, and trash removal along the affected commercial corridor.

**Race & Equity:** The Laurel BID 2025 is not in an economically disadvantaged neighborhood under the Oakland Department of Transportation Equity Toolkit. However, in 2022, the City entered into a contract with Urban Place Consulting (UPC) to provide organizational assistance to underserved commercial corridors and prepare BID feasibility studies in other areas of the City. With direction from the City, UPC has been engaging groups of business owners and property owners in underserved commercial corridors throughout the City, providing education not just on BID formation, but on alternative means of formal organization, such as establishing nonprofit status or a merchants' organization, that can accomplish many goals of a commercial district while serving as interim steps to BID formation.

### **ACTION REQUESTED OF THE CITY COUNCIL**

Staff Recommends That The City Council Conduct A Public Hearing And Upon Conclusion Adopt A Resolution Making A Determination Regarding Any Protests Received For The Laurel Business Improvement District 2025 (Laurel BID 2025), Approving The Laurel BID 2025 Management District Plan, Approving The Assessments For The Laurel BID 2025, Directing Recording Of The Proposed Assessment District Boundary Description, Establishing The Laurel Business Improvement District 2025, And Appointing The Advisory Board For The Laurel BID 2025.

For questions regarding this report, please contact Yanira Cortez, Urban Economic Analyst II, at 510-238-6683.

Respectfully submitted,



Ashleigh Kanat (Jun 17, 2025 09:43 PDT)

ASHLEIGH KANAT  
Director, Economic & Workforce  
Development Department

Reviewed by:

Eric Simundza, Urban Economic Analyst IV,  
Business Development

Prepared by:

Yanira Cortez, Urban Economic Analyst II,  
Business Development