CITY OF OAKLAND

AGENDA REPORT

TO:	Jestin D. Johnson City Administrator	**FROM:**	Ashleigh Kanat Director, Economic & Workforce Development Department
SUBJECT:	Rockridge BID Annual Report and Fiscal Year 2026-2027 Levy Approval	**DATE:**	November 7, 2025

City Administrator Approval Jestin Johnson (Nov 20, 2025 18:21:18 PST) Date: Nov 20, 2025

RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution: 1) Confirming The Annual Report Of The Rockridge Business Improvement District Advisory Board; And 2) Levying The Annual Assessment For The Rockridge Business Improvement District For Fiscal Year 2026-2027 Including A Three (3) Percent Increase In The Annual Assessments.

EXECUTIVE SUMMARY

Pursuant to State law, City Council approval is required to levy assessments for merchant-based business improvement districts (BIDs). Therefore, City Council adoption of the attached Resolution is required for the Rockridge BID to levy the fiscal year (FY) 2026-2027 BID assessment. The attached Resolution also confirms the Rockridge BID's annual report to the City of Oakland (City).

On November 4, 2025, the City Council declared the intention to levy the Rockridge BID assessment for FY 2026-2027. If the proposed assessment is approved, the Rockridge BID will generate an estimated $206,000 of special assessment revenues in FY 2026-2027. Funds will be used to pay for special benefit services as outlined in the Rockridge BID Management Plan (Plan) on file with the Office of the City Clerk and the annual report and budget, prepared and submitted by the Rockridge District Association, the Rockridge BID's City Council-appointed advisory board (see Exhibit A to the attached Resolution).

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 events such as the Rockridge Rock-N-Stroll live music events, and marketing and promotion activities such as internet advertising and maintenance of a district website.

BACKGROUND / LEGISLATIVE HISTORY

1. BID formation and purpose:

Section 36500 *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 the City's Neighborhood Business Improvement District 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, the City Council adopted Ordinance No. 12301 C.M.S. on November 28, 2000 to establish the Rockridge BID. On October 21, 2014, the City Council adopted Ordinance No. 13261 C.M.S., modifying Ordinance No. 12301 C.M.S. to reduce the frequency of the Rockridge BID's disestablishment noticing requirement from every year to once every five years. On December 3, 2024, the City Council authorized the prior year's annual report and levy pursuant to Resolution No. 90539 C.M.S.

Other BIDs (also known as Community Benefit Districts, or CBDs) successfully formed within the City include Montclair (established 2001), Lakeshore/Lake Park (established 1997, renewed in 2002, 2012, and 2022), Temescal/Telegraph Avenue (established 2004, renewed in 2014 and 2024), Laurel (established 2005, renewed in 2015), Koreatown/Northgate (established 2007, renewed in 2017), Lake Merritt/Uptown (established 2008, renewed in 2018), Downtown Oakland (established 2008, renewed in 2018), Jack London (established 2013, renewed in 2023), Oakland Tourism (established 2015, renewed in 2018 and 2024), and Chinatown (established 2021). BIDs are generally recognized as supporting the goals of comprehensive economic development strategies in various cities throughout the United States.

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 the BID's affected commercial neighborhoods.

2. BID annual report requirements:

Pursuant to California Streets and Highways Code Section 36533(a), BIDs are required to provide an annual report for each fiscal year for which assessments are to be levied and collected. The report may propose changes to the boundaries of the district, the basis and method of levying the assessment, and any changes in the classification of businesses.

The Rockridge BID FY 2025-2026 annual report, including the proposed FY 2026-2027 budget, is attached as Exhibit A to the Resolution. 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 2026-2027; however, the Rockridge Business Improvement District Advisory Board is recommending a 3% increase to the FY 2026-2027 assessment rate across all categories to enable the district to maintain the current level of services as costs of providing those services and inflation have increased. Recommendations to increase the assessment, up to 5% per year, are allowable per the Plan on file with the Office of the City Clerk. If the City Council approves the proposed FY 2026-2027 assessment that includes a 3% assessment increase from the amount projected in FY 2025-2026, the Rockridge BID will generate an estimated $206,000 of special assessment revenues in FY 2026-2027.

3. BID annual assessment approval process:

California Streets and Highways Code Division 18 (commencing with section 36500) sets forth the procedures that the City Council must follow to levy the annual assessments for a merchant-based BID. To enable the Rockridge BID to collect its FY 2026-2027 assessment, on November 4, 2025, the City Council adopted Resolution No. 90930 C.M.S. to levy the FY 2026-2027 Rockridge BID assessment, approve the Rockridge BID's annual report, and schedule a related public hearing for December 2, 2025. Adoption of the Resolution was a prerequisite to the City Council's consideration of the attached Resolution to approve the FY 2025-2026 assessment levy.

The related public hearing must take place no less than 10 days after adoption of the Resolution of Intention. City Council may continue the public hearing, but the public hearing shall be completed within 30 days of the Resolution of Intention. Following the public input portion of the hearing, City Council may adopt the proposed resolution to levy the proposed assessment.

4. BID FY 2026-2027 Proposed Assessment:

The Rockridge BID encompasses approximately 480 businesses located in and around the Rockridge commercial area and estimates an upcoming annual budget of approximately $208,000, which includes $206,000 of projected assessments to be collected in FY 2026-2027 and $2,027 in event sponsorships and non-assessment revenues, as indicated in Exhibit A to the attached Resolution.

The billing period for the proposed assessment will be January 1, 2026 through December 31, 2026; and services to be paid for by the above billing and collections will also occur on a January 1, 2026 through December 31, 2026 fiscal year basis,[1] per the annual report and budget, attached as Exhibit A to the Resolution. For the FY 2026-2027 assessment, the sub-classification of businesses that earn annual gross receipts of $25,000 or less with a reduced fee for that assessment year of $60 (instead of $120) is proposed to be continued. Such sub-classification was created to reduce the number and expense of processing hardship partial fee waiver requests. The reduced fee amount for this sub-classification of businesses, which has been in effect since FY 2004-2005, would not apply to future assessment years beyond FY 2026-2027 unless renewed in the annual assessment resolution for that year.

If the City Council approves the proposed FY 2026-2027 assessment, the Rockridge BID will generate an estimated $206,000 of special assessment revenues. The assessment is based on two variables which include business gross receipts and business type. If approved, the assessments for FY 2026-2027 will be collected and expended in accordance with the Plan on file with the Office of the City Clerk and the district's annual report and budget attached as Exhibit A to the Resolution. The annual report and budget were prepared and submitted to the City by the Rockridge District Association, the Rockridge BID's City Council-appointed advisory board.

[1] The BID's fiscal year is the same as the calendar year.

ANALYSIS AND POLICY ALTERNATIVES

There is no anticipated adverse impact related to adoption of the attached Resolution; however, there would be a negative impact to the Rockridge BID if the attached Resolution is not adopted and the Rockridge BID FY 2026-2027 assessment levy is not approved. Without the levy and the resulting new infusion of assessment funds in the upcoming fiscal year, special benefit services paid for by the assessments would be curtailed or terminated in FY 2026-2027. However, if the City Council adopts the attached Resolution, the FY 2026-2027 assessment levy will be approved and special benefit services in the district will continue uninterrupted in FY 2026-2027.

Staff is currently unaware of any policy alternatives or alternate funding sources that could replace the estimated $206,000 of Rockridge BID assessment revenues during fiscal year 2026-2027, if the levy is not approved by City Council.

The annual report form for both business- and property-based BIDs was redesigned in 2024 and converted to an online format, allowing for comparison of statistics across all BIDs reporting, including many new data points that are now being collected regarding the impact of BID activities. These new BID impact metrics include standardized cleaning, marketing and outreach metrics, as well as organizational information, such as updated BID board rosters. Staff also worked in partnership with Urban Place Consulting, the City's BID technical consultant, to design and provide training workshops for BID staff and board members in July 2024, which covered Brown Act compliance and best practices for non-profit organizations.

Staff have reviewed the Rockridge BID Annual Report and determined that the described services provided in the previous fiscal year, the activities for the current fiscal year, and planned assessments and activities in the upcoming FY 2026-2027 are in alignment with the activities and use of assessment funds described in the Rockridge BID Management Plan and approved by the assessed businesses.

Levying this assessment for special benefits services advances the Citywide Priorities of **housing, economic and cultural security** and **vibrant, sustainable infrastructure**. BIDs provide additional resources (e.g., public safety, marketing, and cleanliness) that help make commercial corridors vibrant places that are consistently active, better serving the needs of Oakland's business owners and residents.

FISCAL IMPACT

The Rockridge BID is a self-initiated, self-funded, and self-administered entity. The proposed special assessment district will pay its own operating and administrative costs, including costs for assessment collections and disbursements, although the costs of staff time to manage the BID program are only partially recovered by the City's administrative fee which is 1% of total assessments generated.[2] As in most municipalities that administer BID programs, the assessments generated by the BID create benefits beyond the cities' administrative costs, as they tend to generate economic activity through increased foot traffic, sales taxes, and business taxes.

[2] As BIDs renew, the renewed disbursement agreements have increased the City's administrative fee to 3% to recover a larger share of staff costs. However, any increase to this fee reduces the amount of money the BIDs have to spend to support their districts.

If the levy is approved, the City 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, Rockridge BID assessments will be held in a special trust fund established by the Finance Department on behalf of the district in Miscellaneous Trusts Fund (7999), Economic Development Organization (85411), Pass Thru Assessments Account (24224), DP850 Administrative Project (1000019), Rockridge BID Program (RBID).

PUBLIC OUTREACH / INTEREST

Rockridge BID representatives performed outreach necessary to secure advisory board consensus sufficient to generate the BID's required annual report and proposed FY 2026-2027 budget, attached as Exhibit A to the Resolution. The City Council also held a meeting on November 4, 2025, after public notice and comment and adopted the Resolution of Intention to take this action.

COORDINATION

The Budget Bureau and Office of the City Attorney were consulted in the preparation of this report and resolution.

SUSTAINABLE OPPORTUNITIES

Economic: Rockridge BID assessments will help to fund activities which are intended to support the increase of sales and business tax revenues, as well as increased job opportunities and on- going economic development of the affected commercial district.

Environmental: Special assessment BID revenues will enable the Rockridge BID to continue efforts to strengthen and beautify the physical image of its commercial neighborhood by providing special benefit services such as litter pickup, sidewalk cleaning, and landscaping, which benefit the environment.

Race & Equity: BIDs enable a form of participatory self-governance, by allowing members of a commercial district to transparently and sustainably fund and manage services that benefit that district. Stakeholders themselves administer revenues generated by the district, contributing to community self-empowerment.

While the Rockridge BID is not in an economically disadvantaged neighborhood as identified by the Oakland Department of Transportation Equity Toolkit, the Lake Merritt-Uptown, Downtown, and Chinatown BIDs are located in such areas and utilize assessments to support safety, cleaning, marketing, community identity and special event programs for the high priority areas within their boundaries. Because BIDs contribute to community empowerment, the City entered into a contract with Urban Place Consulting to provide organizational assistance to underserved commercial corridors, which includes performing BID feasibility studies. With direction from the City, Urban Place Consulting has been engaging groups of business owners, property owners, and other stakeholders in underserved commercial corridors, i.e., the Hegenberger Airport area, providing education not just on BID formation, but on alternative means of formal organization, such as establishing nonprofit status or a merchant's 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 Adopt A Resolution: 1) Confirming The Annual Report Of The Rockridge Business Improvement District Advisory Board; And 2) Levying The Annual Assessment For The Rockridge Business Improvement District For Fiscal Year 2026-2027 Including A Three (3) Percent Increase In The Annual Assessments.

For questions regarding this report, please contact Jenny Wong, Urban Economic Analyst III, at (510) 238-6196.

Respectfully submitted,

Ashleigh Kanat (Nov 20, 2025 15:49:29 PST) Nov 20, 2025

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