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OFFICE OF THE CITY CLERK
OAKLAND

2013 JUN 27 PM 5: 27



CITY OF OAKLAND

AGENDA REPORT

TO: DEANNA J. SANTANA
CITY ADMINISTRATOR

FROM: Kelley Kahn

SUBJECT: Temescal and Laurel BID Annual Reports

DATE: June 3, 2013

City Administrator

Date:

Approval

A handwritten signature in black ink, appearing to be 'Deanna J. Santana', written over a horizontal line.

6/27/13

COUNCIL DISTRICT: # 1 and 4

RECOMMENDATION

Staff recommends that the City Council adopt a:

Resolution Approving The Annual Reports Of The Temescal/Telegraph Avenue Property Business Improvement District Of 2005, and The Laurel Property Business Improvement District Of 2005 Advisory Boards; Confirming The Continuing Annual Assessment For Each Applicable District For Fiscal Year 2013/14; and Authorizing Payment of the City's Cumulative Fiscal Year 2013/14 Fair Share Assessment in an Amount of Approximately \$2,328.93 for City-Owned Property in the Temescal/Telegraph Avenue District (the Temescal Library, APN 014 1219 003 00).

EXECUTIVE SUMMARY

Pursuant to local enabling legislation (Ord. No. 12190 C.M.S., 1999), City Council-appointed advisory boards for each property-based business improvement district (BID) in the City of Oakland must submit an annual report to the City for review and approval. The reports are required to include any proposed changes to the boundaries of the district, a description of improvements and activities to be provided in the upcoming fiscal year, an estimate of the cost of providing the improvements and activities, the method and basis of levying the assessment, the amount of any surplus or deficit revenues to be carried over from a previous fiscal year, and any contribution to be made from sources other than the levied assessment. Adoption of the attached resolution would approve the annual reports for the Temescal and Laurel BIDs which appear as *Exhibit A* to the resolution. The resolution also confirms the continuing annual assessment for each district for fiscal year 13/14 and authorizes payment of a fair share assessment of approximately \$2,328.93 on City-owned property located within the Temescal BID (the Temescal Library).

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In FY13/14 the Temescal and Laurel BIDs will generate an estimated \$274,000 and \$154,500 of BID special assessment revenues, respectively.

Funds generated will be used to pay for special benefit services outlined in each district's annual report which include, but are not limited to, private security services, sidewalk cleaning, public right of way beautification and marketing and promotions, including sponsorship of seasonal special events in each district.

OUTCOME

Adoption of the attached resolution would approve the annual reports for the Temescal and Laurel BIDs, confirm the continuing annual assessment for each district for fiscal year 2013/14 and approve payment of the approximate \$2,328.93 assessment levied on City-owned property in the Temescal BID (the Temescal Library).

BACKGROUND/LEGISLATIVE HISTORY

In 1999, the City Council approved the City of Oakland Business Improvement Management District Ordinance (Ord. No. 12190, C.M.S.) which allows for the formation of property-based assessment districts to undertake a range of services within the assessment area, independent from government, to further the economic viability of affected commercial neighborhoods.

That same year the Oakland City Council also authorized initiation of the Neighborhood Business Improvement District (NBID) Program to assist neighborhood representatives in their attempts to form business and property-based assessment districts.

Pursuant to the above legislative actions, the Temescal and Laurel BIDs were formed as follows:

- The Temescal/Telegraph Avenue Property Business Improvement District of 2005 on July 20, 2004 pursuant to Resolution No. 78730 C.M.S.
- The Laurel Property Business Improvement District of 2005 on July 19, 2005 pursuant to Resolution No. 79380 C.M.S.

Each district was formed for a 10 year term.

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ANALYSIS

There is no anticipated adverse impact associated with the approval of the proposed resolution. Adoption of the attached resolution will enable the affected special assessment districts to continue providing enhanced services such as private security, maintenance, marketing and promotional activities. These services are intended to improve the conditions and image of the affected business corridors and to stimulate ongoing economic revitalization within the surrounding commercial neighborhood.

Because 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 BIDs, other than the fair share payment of approximately \$2,328.93 for assessments on City -owned property located within the Temescal district. Given the approximate \$426,171.07 of private funds that will be leveraged, the above expenditure may be considered a reasonable and productive expenditure of public funds.

PUBLIC OUTREACH/INTEREST

For the City Council 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 reports and proposed FY 13/14 district budgets (*Exhibit A* to the proposed resolution).

COORDINATION

The City Budget Office and Office of the City Attorney were consulted in the preparation of this report and/or its attachments and exhibits.

COST SUMMARY/IMPLICATIONS

Pursuant to State Proposition 218, the City must pay its fair share of assessments on City-owned property within the above-referenced special assessment districts. This is because public as well as private properties are considered to derive special benefits from the activities of the districts.

There are no City properties located within the Laurel BID upon which assessments will be due. There is one City property located within the Temescal BID upon which assessments will be due as follows:

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District	APN	Legal Owner	Site Description	Annual Assessment
Temescal/ Telegraph Avenue	014 1219 003 00	City of Oakland	Temescal Library at 5205 Telegraph Avenue	\$ 2,328.93

Funds to pay the assessment on the above City-owned property are contained in the Proposed FY 2013/14 budget as follows:

- \$2,328.93 budgeted to General Purpose Fund (1010)/Citywide Activities Organization (90591)/Taxes and Assessments Account (53511)/ BID Project (C138410)/IP50

Other than the above assessments, there is no further direct fiscal impact anticipated with the passage of the attached resolution; however, there are indirect costs associated with the general administration of the citywide BID program by City staff which include, but are not limited to, activities such as compliance with legislative reporting requirements, technical assistance to existing districts, coordination of proposed new district formations, coordination of annual levy approvals, public hearings, and required legal noticing. Such indirect costs are covered in the budget for the Department of Economic and Workforce Development. The related business improvement districts will pay their own operating and administrative costs, including costs for assessment collections and disbursements.

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, will disburse the funds to the districts, pursuant to written agreements between the City and the districts' non-profit management corporations, less the City's costs of related administration and processing of the disbursements.

Until disbursed, BID assessments will be held in special trust funds established by the City's Treasury Division. The funding codes are: Miscellaneous Trusts Fund (7999)/Treasury Operations Unit Organization (08721)/Pass Thru Assessments Account (24224)/Undetermined Project (0000000).

SUSTAINABLE OPPORTUNITIES

Economic: BID assessments 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 of the affected commercial districts.

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Environmental: Receipt of ongoing special assessment revenue streams will enable applicable districts to continue efforts to strengthen and beautify the physical image of the affected commercial neighborhoods by providing special benefit services such as litter pickup, sidewalk steam cleaning, landscaping, public art, directional signage and public safety capital improvements.

Social Equity: The concerned special assessment districts will incorporate members of the affected commercial neighborhood into a productive and proactive entity representing the interests of that community. Stakeholders themselves will continue to be responsible for administering revenues generated by the district which contributes to community self-empowerment and the furtherance of an additional social equity model.

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

Respectfully submitted,



KELLEY KAHN, Director
Department of Economic and
Workforce Development

Prepared by:
Maria Rocha, BID Program Coordinator
Department of Economic and Workforce Development

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Oakland City Attorney's Office

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

RESOLUTION APPROVING THE ANNUAL REPORTS OF THE TEMESCAL/TELEGRAPH AVENUE PROPERTY BUSINESS IMPROVEMENT DISTRICT OF 2005 AND THE LAUREL PROPERTY BUSINESS IMPROVEMENT DISTRICT OF 2005 ADVISORY BOARDS; CONFIRMING THE CONTINUING ANNUAL ASSESSMENT FOR EACH APPLICABLE DISTRICT FOR FISCAL YEAR 2013/14; AND AUTHORIZING PAYMENT OF THE CITY'S CUMULATIVE FISCAL YEAR 2013/14 FAIR SHARE ASSESSMENT IN AN AMOUNT OF APPROXIMATELY \$2,328.93 FOR CITY-OWNED PROPERTY IN THE TEMESCAL/TELEGRAPH AVENUE DISTRICT (THE TEMESCAL LIBRARY, APN 014 1219 003 00)

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

WHEREAS, affected property owners petitioned to form the Temescal/Telegraph Avenue Property Business Improvement District of 2005 ("Temescal BID") and the Laurel Property Business Improvement District of 2005 (together, the "Districts") under said legislation to undertake the Management Plans for the Districts ("Plans") which are on file with the City Clerk; and

WHEREAS, the Plans provide for enhanced services such as new security, crime prevention, beautification, sidewalk sweeping, economic development, lighting, and marketing activities with the intent of creating a positive atmosphere in the District areas (as more specifically identified in their respective Plans); and

WHEREAS, the Plans were prepared in accord with the provisions of the law overseeing the formation of the Districts as referenced above, and have been filed with the City; and

WHEREAS, each of the approved Plans provides for an annual adjustment not to exceed five percent more than the previous year's assessment; and

WHEREAS, pursuant to the requirements of the law the Districts were established as follows:

- o the Temescal BID on July 20, 2004 pursuant to Resolution No. 78730 C.M.S.;
- o the Laurel BID on July 19, 2005 pursuant to Resolution No. 79380 C.M.S.; and

WHEREAS, the Annual Reports (attached in *Exhibit A*) have been prepared by the District Advisory Boards and filed with the City Clerk; and

WHEREAS, the Annual Report for the Temescal BID includes a determination and recommendation by the District Advisory Board for a permitted 5% increase in the amount of the annual assessment beginning in fiscal year 2013/14 for the Temescal BID; and

WHEREAS, the City Council desires to approve and confirm the Reports, and the continuing annual assessments for the Districts for fiscal year 2013/14; and

WHEREAS, the City owes a cumulative fiscal year 2013/14 fair share assessment of approximately \$2,328.93 for the following City-owned properties:

District	APN	Site Description	Annual Assessment
Temescal BID	014 1219 003 00	Temescal Library at 5202 Telegraph Avenue	\$ 2,328.93

and

WHEREAS, it is possible that additional properties will be transferred to City ownership during fiscal year 2013/14, thus increasing the City's fair share assessments; and

WHEREAS, funds to pay the assessments owed by the City have been budgeted into General Purpose Fund (1010)/Citywide Activities Organization (90591)/Taxes and Assessments Account (53511)/ BID Project (C138410)/IP50; 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 Districts in Miscellaneous Trusts Fund (7999)/Treasury Operations (08721)/Pass Thru Assessments Account (24224)/Undetermined Project (0000000); now therefore be it

RESOLVED that the City of Oakland does hereby find that the Advisory Boards for the Temescal BID and the Laurel BID were duly appointed by Resolutions of the City Council and have filed their Annual Reports for the 2012/13 and 2013/14 fiscal years as required by law; and be it

FURTHER RESOLVED that the Annual Report and the continuing annual assessment for the Temescal BID and for the Laurel BID for the 2013/14 fiscal year are hereby approved, adopted, and confirmed, including a 5% increase in the amount of annual assessments recommended by the Temescal BID Advisory Board, beginning in fiscal year 2013/14 and the City Council does hereby

levy and direct the collection of the assessments for the 2013/14 fiscal year in accordance with the assessment formula as provided for in the Annual Reports and the Plans on file with the City Clerk; and be it

FURTHER RESOLVED that the proposed method and basis of levying the assessments to be levied against each property in the Districts have not been changed, increased, or modified and are those specified in the Plans and Annual Reports on file with the City Clerk which were previously adopted after holding the required public meetings and public hearings and protest procedures as provided for by law; and be it

FURTHER RESOLVED that the assessments shall be attached to the property and collected with the annual county property taxes, and in certain cases, as specified in the Plans, through a special municipal billing; and be it

FURTHER RESOLVED that the boundaries of the Districts shall remain the same as specified in the Plans on file with the City Clerk and there are no changes to the boundaries or benefit zones; and be it

FURTHER RESOLVED that the types of the improvements and activities proposed to be funded by the levy of assessments on property in the BIDs are those described in the Plans and the Annual Reports on file with the City Clerk. There are no substantial changes in the improvements or activities for the Districts; and be it

FURTHER RESOLVED that the 2013/14 fiscal year assessments for the Districts are as follows:

- o Approximately \$307,308.87 for the Temescal BID; and
- o Approximately \$169,853.00 for the Laurel BID; and be it

FURTHER RESOLVED that the amount chargeable to each parcel in each District shall be as determined by the Plans and Annual Reports on file in the Office of the City Clerk; and be it

FURTHER RESOLVED that the City shall pay a cumulative fiscal year 2013/14 fair share assessment in an amount of approximately 2,328.93 for City-owned property as more specifically described in the recitals above from the General Purpose Fund (1010)/Citywide Activities Organization (90591)/Taxes and Assessments Account (53511)/ BID Project (C138410)/IP50 ; and be it

FURTHER RESOLVED that the City Administrator is authorized to pay the fair share assessments from the funds listed above for any additional properties located in any of the Districts that are transferred to City ownership during fiscal year 2013/14; and be it

FURTHER RESOLVED that the City Administrator is hereby authorized to enter into annual contracts and related amendments with any nonprofit corporation comprised of the assesseees themselves designated by the owners to conduct or contract for the security, marketing,

maintenance, or other activities and improvements for the District, or at the request of the owners through the Advisory Board to conduct or contract for such services and improvements as provided for in the BIMD Ordinance.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2013

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, GALLO, GIBSON McELHANEY, KALB, KAPLAN, REID, SCHAAF and PRESIDENT KERNIGHAN

NOES-

ABSENT-

ABSTENTION-

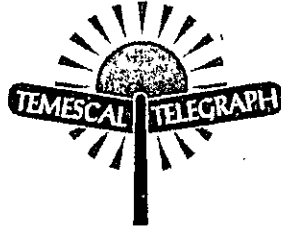
ATTEST: _____
LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California

EXHIBIT A

Resolution Approving The Annual Reports Of The Temescal/Telegraph Avenue Property Business Improvement District Of 2005, and The Laurel Property Business Improvement District Of 2005 Advisory Boards; Confirming The Continuing Annual Assessment For Each Applicable District For Fiscal Year 2013/14; and Authorizing Payment of the City's Cumulative Fiscal Year 2013/14 Fair Share Assessment in an Approximate Amount Of \$2,328.93 for City-Owned Property in the Temescal/Telegraph Avenue District (Temescal Library, APN 014 1219 003 00).

Annual Reports for:

- Temescal/Telegraph Avenue Property Business Improvement District Of 2005
- The Laurel Property Business Improvement District Of 2005



Temescal Telegraph Avenue Community Association (TTCA)
Business Improvement District
Sth Annual Report to City Council
2013

I. PROPOSED CHANGES IN THE BOUNDARIES OF THE BID OR IN ANY BENEFITS ZONES WITHIN THE DISTRICT:

None

II. IMPROVEMENTS AND ACTIVITIES PROVIDED DURING FISCAL YEAR 2012/13

The following are the major improvements and activities provided:

ORGANIZATION

- Renewed contract with experienced part time coordinator to manage district's activities and to collaborate closely with Public Works and the Councilmember's office.
- Advocated for the district through participation on the Oakland Merchants Leadership Forum and the Oakland Business Improvement Council. BID continues to be organized around the nationally recognized Main Street™ approach utilizing standing committees (Design, Promotion, Economic Development, and Organization) that meet regularly. It also addresses Security issues through "Merchant Watch" strategies and close collaboration with the Neighborhood Crime Prevention Council.
- Conducted regular letter and email campaigns to property owners and merchants to inform them of BID activities.
- Temescal featured in following wide circulation media articles:
 - San Francisco Chronicle: "Oakland's hip and vibrant Temescal Alley takes off", April 8, 2012
 - New York Times: "A Workaday Slice of Oakland Branches Out", April 8, 2012.
- Secured \$110,000 loan from Pacific Coast Bank over a 30 month period, (remainder of current BID term) for pedestrian-oriented lighting project on Telegraph Avenue.
- Held Annual Meeting March 28th at newest Temescal restaurant, Arbor Café; attended by 25 properties owners marking best attendance yet.

ECONOMIC DEVELOPMENT

- Maintained updated inventory of Temescal commercial vacancies with a further enhanced module on the website, whereby property owners can post vacancies directly and filled vacancies can be reported online, fully automating the process:

http://www.temescaldistrict.org/commercial_vacancies. Temescal has minimal vacancies. The district continues to be plagued by three chronic vacancies: Hooper's, Kasper's and the Omni locations. These three locations have attracted interested parties, but are unable to secure tenants.

- Conducted six Merchant Mixers throughout the year attended on average by 15 - 20 merchants covering various topics including Merchant Watch and Social Media
- Retail Sales Tax trends continue steady ascent over previous years, with 2011 sales tax revenues increasing by 10.36%.

DESIGN

- Safety First continues to provide sidewalk sweeping and landscaping five days a week (Wednesday through Saturday to Zone 1 (Telegraph Avenue from 4501 to the freeway) (51st Street from the freeway to one block east of Telegraph Avenue) and Zone 3 (Frontage and lot size at Oakland Children's Hospital) (576 to 747-52nd Street which includes the freeway underpass on 52nd Street).
- Provide sidewalk sweeping and landscaping in Zone 2 "South" (40th to 45th) five days a week. Provide these same services three days a week (Tuesday, Thursday and Saturday to Zone 2 (Telegraph Avenue from 5601 to 6699)(4501 to 5216 Shattuck Avenue, 5160-5263 Claremont Avenue and 5811 – 5964 Racine Street)
- Provide sidewalk steam cleaning and graffiti abatement as needed to the entire area on a quarterly basis; we are increasingly finding the organization compelled to broaden our graffiti services to cover area which is supposed to be covered in the baseline agreement of services shared by Public Works Keep Oakland Clean.
- Maintained Lights on Trees on Short Shattuck and on Telegraph between 49th and 51st and Alcatraz
- Advocacy with Public Works and Cal Trans for maintenance along Telegraph Avenue to take care of freeway entrances and signage, graffiti on parking meters and public signage.
- Completed Phase III of Temescal Flows project on 52nd Street overpass between Children's Hospital and Temescal's Telegraph Avenue with an additional \$8,000 grant from Oakland Cultural Arts and \$1,000 from BART.
- Phase I & II Pedestrian Lighting Program with LED lights along Telegraph was completed using reserves, grants, and a bank loan. Phase 1 was from 4th to 4^{2nd} while Phase 2 covered 4^{2nd} to 49th. This project has enhanced security and improved shopper ambience in the commercial district. Temescal is the first Oakland neighborhood to use LED lights and the first in California to leverage its assessment revenue to obtain bank financing for a capital improvement.
- Added four additional concrete trash cans to the 33 existing cans in the district. Allocated \$11,000 and hired a local artist to decorate these ugly trash cans with mosaic to convert them into art pieces.
- A bike corral was installed in collaboration with the City of Oakland's Bike Program, in front of Burma Superstar including a "Bike Oakland" sign; new parking spaces were added in the process on the west side of Telegraph between 48th and 49th

- Created concept for a gateway sculpture for placement at the Pennzoil station at the Hwy 24 & 51st Street on ramp; secured commitment from property owner to fund structure.

SECURITY

- A temporary adjustment, made to Safety First's schedule to reduce maintenance hours and shift to Ambassador services in the afternoon, has been well received. This shift is being implemented indefinitely, since it has improved the sense of safety in the district, particularly with the merchants.

PROMOTION

- 9th annual Temescal Street Fair, settled into July, the Sunday after July 4th, and expanded to 42th Street, to include three additional blocks; the event generated a small profit. In the first years, we contributed \$10,000 to the event.
- Held successful 7th annual safe Temescal Trick or Treat, supported by the growing number of families in the district
- Held 5th annual Temescal Street Cinema (six week summer series) as part of nighttime community activity. The event is now mostly self-sustaining with the BID investing \$1,000 versus a previous \$5,000 support annually.
- Held 4th annual Taste of Temescal showcasing 20 restaurants and the District's gourmet ghetto moniker, solidifying nighttime community activity. Event raised \$9,000 for the local schools and non-profits
- Rejuvenated website has been well received by many of the merchants now utilizing the social media tools connected to it. Temescal Facebook has over 1000 likes and the email list has over 2,200 subscribers.
- Created Temescal Locals, an e-newsletter promoting monthly news and special deals.
- Supported new event – Summer and Winter Temescal Art Hops on First Fridays
- Subsidized and submitted regular articles to the Temescal News & Views
- Continued to support widely successful Farmer's Market through promotional efforts
- Telegraph Avenue banner poles at 49th continue to promote events including Festival, Farmer's Market, Holiday, and Temescal is blooming themes.

III. IMPROVEMENTS AND ACTIVITIES TO BE PROVIDED FOR FY 2013/14

ORGANIZATION

- Updating Strategic Plan document through 2014, covering organization's priorities and reevaluating boundaries, in preparation for renewal in 2013; the current BID sunsets at the end of 2014.
- Issuing Request for Proposal to hire BID consultant and begin renewal process no later than July, 2013

- Advocating through Assemblywoman Nancy Skinner to get more attention for Hiway 24 on and offramps that continue to be neglected by Cal Trans. These gateways to Temescal require consistent maintenance, which CalTrans is currently not providing, in a timely fashion. Caltrans also refuses to pay special assessments on properties held within the BID, totaling \$1,000 annually.

DESIGN

- Continuation of sidewalk steam cleaning and graffiti abatement
- Continuing to pursue funding for streetscape improvement plan which will include crosswalk improvements, countdown pedestrian signals, and pedestrian lights, starting at 52nd and going south towards 40th St.
- Advocating with the City for consistent graffiti abatement implementation.
- Completion of 37 mosaic trash cans
- Coordinate Phase III of Pedestrian Lighting Project, between City Public Works and PG&E on 51st St from Telegraph to Dover, with use of 4th bore mitigation funds; coordinate with City to implement allow installation of lights on Telegraph from 49th to 51st simultaneously.
- Secure funding to complete the Phase IV of Temescal Flows project on 52nd Street underpass by painting additional bare columns that are being repeatedly hit by graffiti.
- Continue advocacy for BRT to ensure project addresses the district's concerns about loss of parking and lanes.
- Maintain Banner Rotation Program
- Install "Welcome to Temescal" obelisk structure at Pennzoil station at the Hwy 24 & 51st Street on ramp and hold a dedication ceremony upon completion.

PROMOTION

- Continue to provide regular email communication with stakeholders.
- Conduct 8th annual Temescal Trick or Treat
- Hold Spring Skate & Stroll to include an ice skating rink and skateboarding with a focused appeal to families.
- Conduct 5th "Taste of Temescal" with proceeds going to local non-profits including the local schools' PTAs.
- Support 6th annual Temescal Street Cinema
- Support quarterly First Friday Art Hops
- Support 10th annual Temescal Street Fair
- Introduce mobile application for shoppers that interfaces with website,

SECURITY

- Continue Merchant Watch activities maintaining constant email communication with merchants and collaboration with assigned OPD Problem Solving Officer, when available.
- Advocate with City to provide adequate Police coverage including dedicated Problem Solving Officers and/or Walking and Beat Officers.

ECONOMIC DEVELOPMENT

- Continue to monitor economic trends in the district and inventory space to remain pro-active about the business mix.
- Continue communications with numerous brokers and prospective tenants regarding vacant spaces, when/ if they arise
- Support getting viable tenants for Hooper’s, Omni, Frazee, and Kasper’s
- Encourage property owners to post vacancies directly on the website
- Continue to host Merchant Mixers on topics of relevant and local interest
- Support new businesses moving into district including Juhu Beach Club, Cholita Linda, “Bondoc” Bakery at 4316 Telegraph.

IV. AN ESTIMATE OF THE COST OF PROVIDING THE IMPROVEMENTS AND THE ACTIVITIES FOR FY 2013/14

Please see the attached proposed budget for FY13/14.

V. METHOD AND BASIS OF LEVYING THE ASSESSMENT

The extreme budget stresses at all levels of government make the prospects for additional funding unlikely beyond the aforementioned resources. For the TTBD to execute its highest priority capital project, explained throughout this document, we continue to turn to our own devices. That includes triggering another 5% increase on the 2013 property tax rolls as permitted under the 2004 Temescal Telegraph Avenue Management District Plan.

A 5% increase is proposed for 2012/13 and is included in the following table

<i>Property Variable</i>	<i>Benefit Zone 1</i>	<i>Benefit Zone 2</i>	<i>Benefit Zone 3</i>
Lot Size	0.099702	0.060261	0.0118682
Building Size	0.077792	0.029952	0
Linear Frontage	8.698725	1.507767	14.096824

VI. SURPLUS OR DEFICIT REVENUES TO BE CARRIED OVER FROM A PREVIOUS FISCAL YEAR

Through December 31, 2012, we are running a balance of \$47,960, to essentially run our operations. We no longer have a growing surplus as in past years. We have spent through our growing reserve and utilized it for its original intention: to implement the ambitious LED Pedestrian Lighting Project along Telegraph Avenue. The organization carefully administered its funds over the first seven years in order to prioritize capital streetscape improvements consistent with the 2005 proposed Telegraph Avenue Streetscape Plan. It leveraged an NPI grant, 4th bore mitigation funds, and secured a loan to carry out the Pedestrian Oriented Street Lighting Program along Telegraph, its highest priority capital improvement program.

The lights achieve three TTBD important objectives:

1. Improve security in the commercial district
2. Improve shopper ambience in the commercial district, including a perception of increased safety
3. Enhance district identification

The cost for this project is \$715,292 to install lights on Telegraph from 42nd to Woolsey. Phase I - 40th to 42nd and Phase II - 42nd to 49th are now completed. Phase III - 49th to 51st to Children's Hospital is underway, in collaboration with PG&E. Phase IV from 52nd to the Berkeley border remains unfunded.

**VII. THE AMOUNT OF ANY CONTRIBUTIONS TO BE MADE FROM
SOURCES OTHER THAN BID ASSESSMENTS TO BE LEVIED.**

See attached budget.

**TEMESCAL/TELEGRAPH BUSINESS IMPROVEMENT DISTRICT
2013-2014 BUDGET Proposed**

Assessments	\$274,000	average of last 2 years, plus 5%
Interest income	\$500	
Total Allocated revenue	\$274,500	

Pct allocation, proposed budget					
Program	Zone	1	2	3	Total
		53.60%	36.40%	10.00%	
PROWSO	55.0%	27.0%	23.0%	5.0%	55.0%
Marketing	13.4%	10.0%	2.4%	1.0%	13.4%
Admin	24.3%	13.0%	8.9%	2.4%	24.3%
Contingency	7.3%	3.6%	2.1%	1.6%	7.3%
Total	100.0%	53.6%	36.4%	10.0%	100.0%

Expected Operating Expenditures								Total
PROWSO				Zone 1	Zone 2	Zone 3		
Allocated Revenue				\$ 74,115	\$ 63,135	\$ 13,725		\$ 150,975
Proposed Expenditures								\$ -
	Safety 1st			\$ 41,808	\$ 28,392	\$ 7,800		\$ 78,000
	Water planters			\$ 7,718	\$ 5,242	\$ 1,440		\$ 14,400
	Landscaping			\$ 2,573	\$ 1,747	\$ 480		\$ 4,800
	administration			\$ 8,147	\$ 5,533	\$ 1,620		\$ 15,200
	loan service on Ped lighting			\$25,728	\$17,472	\$4,800		\$ 48,000
	Improvement Mini Grants			\$0	\$0	\$0		\$ -
	Total Proposed PROWSO Expenditures			\$ 85,974	\$ 58,386	\$ 16,040		\$ 160,400
	PROWSO Pro Forma Surplus / (Deficit)			\$ (11,859)	\$ 4,749	\$ (2,315)		\$ (9,425)
MARKETING AND IDENTITY ENHANCEMENT								
Allocated Revenue				\$ 27,450	\$ 6,588	\$ 2,745		\$ 36,783
Proposed Expenditures				\$ -	\$ -			\$ -
	Temescal Street Fair				\$ -			\$ -
	Street Cinema			\$ 1,000				\$ 1,000
	New Event			\$ 536	\$ 364	\$ 100		\$ 1,000
	First Fridays			\$ 1,608	\$ 1,092	\$ 300		\$ 3,000
	Halloween Event			\$ 536	\$ 364	\$ 100		\$ 1,000
	Cross-Telegraph Banner			\$ 1,368	\$ 432			\$ 1,800
	Website			\$ 965	\$ 655	\$ 180		\$ 1,800
	Exec Directors Fees			\$ 4,502	\$ 3,058	\$ 840		\$ 6,400
	Total Proposed Marketing Expenditures			\$ 10,515	\$ 5,965	\$ 1,520		\$ 18,000
	Marketing Pro Forma Surplus / (Deficit)			\$ 16,935	\$ 623	\$ 1,225		\$ 18,783

ADMINISTRATION							
Allocated Revenue				\$ 35,685	\$ 24,431	\$ 6,588	\$ 66,704
Other							\$ -
Proposed Expenditures							
Executive Director fees				\$ 13,400	\$ 9,100	\$ 2,500	\$ 25,000
Rent				\$ 4,770	\$ 3,240	\$ 890	\$ 6,900
Phone and Internet				\$ 804	\$ 546	\$ 150	\$ 1,500
Food for meetings				\$ 1,286	\$ 874	\$ 240	\$ 2,400
Admin assistant				\$ 4,824	\$ 3,276	\$ 900	\$ 9,000
Legal and Accounting				\$ 3,216	\$ 2,184	\$ 600	\$ 6,000
Insurance				\$ 2,305	\$ 1,565	\$ 430	\$ 4,300
Office Supplies and Other				\$ 1,072	\$ 728	\$ 200	\$ 2,000
BIORENEWAL				\$ 3,422	\$ 2,288	\$ 4,200	\$ 10,910
Total Proposed Administration Expenditures				\$ 54,190	\$ 36,800	\$ 10,110	\$ 101,100
Administration Pro Forma Surplus / (Deficit)				\$ (18,505)	\$ (12,370)	\$ (3,522)	\$ (34,397)
CONTINGENCY							
Allocated Revenue				\$ 9,882	\$ 5,765	\$ 4,392	\$ 20,039
TOTAL BUDGETED REVENUE				\$ 147,132	\$ 99,918	\$ 27,450	\$ 274,500
Check				53.6%	36.4%	10.0%	
TOTAL PROPOSED EXPENDITURES				\$ 150,679	\$ 101,151	\$ 27,670	\$ 279,500
TOTAL PRO FORMA SURPLUS / (DEFICIT)				\$ (3,547)	\$ (1,233)	\$ (220)	\$ (5,000)



LAUREL DISTRICT ASSOCIATION (PBID) ANNUAL REPORT TO CITY COUNCIL FY 12-13

I. Proposed Changes in the Boundaries of the BID or in any Benefits Zones Within the District:

No changes.

II. Improvements and Activities Provided Property owners in FY 12-13

SALES TAX REVENUES

- **Steady Growth** – for a one-year period from 4th Quarter 2011 to 3rd Quarter 2012, Laurel businesses recorded an increase in sales tax revenues of 3.5% compared with the prior year (4th Quarter 2010 to 3rd Quarter 2011). For 2012, the Laurel is projected to post the second highest sales tax revenues since 2006.

DISTRICT IDENTITY

PUBLIC EVENTS

- **Increased Public Events and Strategic Marketing** - To capitalize on marketing attention generated in 2011, as well as our "Best of the East Bay" award, the LDA initiated a one-year increase in public events. We produced and/or promoted 19 public events for the year, each event designed as the focal point and catalyst for its own online marketing initiative. Each event was designed and promoted to attract a different demographic group of potential shoppers.
- **Direct Online Audience** - Via Facebook, email listserves and email, the LDA was able to directly connect with a primary audience of approximately 3400 people per event (*this does not account for "secondary audiences" – from email forwards, facebook likes and shares*).
- **Increased Traffic to LDA Website** - The events helped generate a substantial increase in weekly visits to the LDA website. In comparing web traffic between 2012 and the averages from 2007-2011, in 2012 the number of unique visitors to the LDA site increased by 54% (11,000 unique visitors), and the number of web pages viewed on the LDA site increased by 150% (46,000 pages).

LAUREL STREET FAIR

- **Continued Success** - The Laurel Street Fair continues to grow in attendance, participation and reputation. Approximately 8000 people attended the event, and 4 mainstream media outlets advertised and reported on our event at no cost to the LDA. Through new fundraising efforts and increased vendor fees we were also able to generate approximately \$4000 more than in 2011. We continue to produce the event with a grassroots, neighborhood base-building and marketing strategy, and leveraged the attention from our 19 public events to attract attendees and bring additional attention to the district.

FACEBOOK MARKETING AND NEW LDA WEBSITE FEATURES

- **Cost Efficiency** - The LDA continues to focus on low to no cost online presence as our primary marketing vehicle for the short and long term.
- **Increased Audience and Activity** - In 2012, the LDA's facebook presence grew by 30%, with a current total of 1300 Friends and 185 Likes. Weekly postings and over 800

pictures of merchants, events and specials contribute to a very active Facebook presence and viewership, represented by an average of 150% more "likes" and "shares" per post.

- **Merchant Online Engagement** - The LDA's Facebook presence has been coupled with a focused online effort to engage and promote our merchants. In 2012 we were able to link, share and promote the online posts of 28 Laurel merchants on a weekly basis.
- **Local Listserves** - Utilizing our event marketing, we posted pictures and updates twice a month to 4 of our neighborhood listserves, with an audience of approximately 2000 people within a 5-mile radius of the commercial corridor.
- **Website Optimization Increases Online Traffic** - Our new website backend has been optimized to Google, Yelp and top search engine specifications, and functions as an efficient content and social media aggregator for all of our businesses. In 2012, our website hit new highs, averaging 150% increase in page visits from previous years.
- **Website Vacancies Listings** – We created a new "Laurel Vacancies" page, and updated it with detailed information and photos. After creating the page, it received approximately 1450 page views in a year, and was noted by numerous business owners as the online "starting point" for their vacancy searches.

PRINT ADVERTISING

- **Targeted Local Focus** - In addition to our focus on online advertising, we also printed approximately 3200 posters and 7000 flyers advertising our events and efforts. Our print advertising is now strategically concentrated to a 5-mile radius of the commercial corridor, and strengthens our relationships to 5 local schools, 2 recreational centers, our 100+ businesses and 60 businesses outside our geographic boundaries.

BUSINESS DIRECTORIES

- **Targeted Local Focus** - Again with a targeted outreach strategy, 800 Laurel business directories were distributed during public events, at local stores and at local colleges. Directories are designed according to our new design motifs and specifications, prominently showcase the Laurel "Leaf" Logo, and reinforce the Laurel BID brand. We will continue this effort in 2013.

STREET BANNERS

- **Two New Sets Created** - We designed and installed 2 different sets of 36 street banners each for the corridor in 2012. It is seen by approximately 15,000 drivers a day. Highlighting neighborhood artists and utilizing neighborhood input, these banners emphasize the unique characteristics of the Laurel, informed by our new design guidelines. Original artwork is also reused in ongoing online promotions for the district.

POPUK ART SPACES

- **Bringing Visibility and New Tenants to Vacancies** – The LDA test piloted two popup art spaces in 2012. Working with the property owners, the LDA enlisted local artists to decorate and temporarily open two spaces for a total of 1 week. This resulted in a tenancy for a new incoming business in April of 2013. Total attendance for walk-in traffic was estimated at 400 people. The LDA coordinated 9 events in the spaces open to the public. The first popup space was coordinated in conjunction with the Laurel Street Fair. The popup spaces were used as major marketing vehicles, photographed and promoted via Facebook, email listserves and direct emails, and attracted public attention and inquiries for tenancy.

PUBLIC ART IN VACANCIES

- **Bringing Visibility to Vacancies** - The Laurel Leaf logo was manufactured as a series of large-scale painted public art sculptures, and was featured in the windows of 3 prominent vacancies. The LDA was contacted several times by prospective business owners who noted the art pieces attracted their attention to the vacancy. Future installations will be an ongoing effort to bring additional attention to vacant spaces in the district.

LAUREL STREET TEAM

- **A Strong Neighborhood Network** - The Laurel Street Team, currently comprised of 6 neighborhood youth and adults, have continued to be the on-the-ground communications network between the LDA, the 100+ merchants, and the public. Our Street Team members have not only maintained weekly communications with merchants and promote our efforts, but also assisted in coordinating and promoting all of the 19 public events.

PUBLIC RIGHTS OF WAY (PROW)

SECURITY

- **Security Camera Audit** - Our Laurel Security Ambassadors conducted an audit of all the security camera locations in our commercial corridor and throughout the 100+ businesses in the district. We are currently analyzing "weak spots" where camera coverage is insufficient, assessing areas that are more vulnerable to criminal activity, and will be working with businesses to increase surveillance in those areas in 2013.
- **Targeted Crime Prevention** – The LDA worked with over a dozen merchants who have camera systems to facilitate their crime reporting and sharing of video captures of crimes in progress. This assisted in the arrests of several repeat perpetrators of crime in 2012, and stimulated communications between merchants when a crime did occur. We identified key areas of criminal activity, and conducted meetings and discussions with business and property owners in these areas to enact proactive security measures.
- **Merchant Education** – We conducted a large-scale training with 35 merchants on proper methods of crime reporting and information sharing. This was followed up with written educational materials distributed to all businesses, as well as one-on-one discussions with merchants who needed individualized help.
- **Additional Security Shifts** – In the winter of 2012, when crime commonly increases in shopping districts, we made strategic changes to regular security shifts to address crime patterns. Extra overnight shifts and more randomized daily and evening shifts were implemented.
- **Pro-Active Event Production** – Our Laurel Security Ambassadors also played important roles in pro-active, community building events that further strengthened their visibility and connection to the neighborhood, to merchants and to shoppers. The Ambassadors were active planners and supporters of all of the 19 public events we produced and/or promoted, and work in close conjunction with the Laurel Street Team. We will expand and consolidate both groups' roles in all future public events in 2013.

MAINTENANCE AND LANDSCAPING

- **Keeping the Streets Clean** - Our street maintenance crew from Peralta Services Corporation abated 2,000 square feet of graffiti tags, collected 12,480 lbs or 6.24 Tons of trash, and watered all the planters along the commercial corridor 60 times. They did an entire steam cleaning of the streets, coordinated the entire cleanup of the Laurel Street Fair, and did spot cleaning of target areas such as bus stops.
- **Keeping Planters Beautiful** - We continue to maintain and improve plant displays for all of our planters. Our maintenance gardener works weekly to trim, add and arrange new plants in conjunction with our local Ace Hardware Nursery, and has contributed greatly to the visual appearance of MacArthur Blvd.
- **Tree Trimming** - The LDA paid \$6000 to have the trees between 35th Ave and 39th Ave trimmed due to overgrowth. The LDA has now paid for all the trees in the district to be trimmed over the past two years.
- **Studying Litter Patterns** – The LDA worked in conjunction with the Mills College Public Policy department to conduct a comprehensive analysis of sidewalk litter patterns in the district. They provided suggested solutions we will consider for 2013. The findings were presented in a public forum that brought residents, BID managers and community leaders from all over Oakland together.

CAPITAL IMPROVEMENTS

- Design Guidelines Distribution – In 2011, the LDA helped secure City and self-funded architects and designers to develop a Laurel Design Guidelines document for the entire business district. In 2012 we made the Laurel Design Guidelines available to all our businesses and property owners via our website, and provided them to all property owners with vacancies to present to prospective business owners.

ORGANIZATION

MERCHANT TRAININGS AND COMMUNICATIONS

- Monthly Merchant Meetings - We continued to conduct monthly merchant meetings, consisting of news updates, event scheduling and planning, security trainings, and specialized online marketing training. Attendance consistently averages 12-15 merchants per meeting.
- Leveraging Outside Agencies for Merchant Trainings – In 2012 the LDA worked closely with two agencies to increase the online presence and marketing capabilities of our merchants. We continued our 2011 relationship with Hope Solutions Merchant Services, offering personalized follow-ups to online/Facebook trainings with 35 merchants, as well as 22 merchants on Yelp. We also worked with Oakland Local to provide merchant trainings in search engine optimization for online business listings, and assisted 22 merchants in this effort.

BUSINESS RECRUITMENT

- Brokers Tour - We assisted Councilmember Libby Schaaf and City staff in conducting a Laurel tour of over 20 property brokers. We co-led the tour, providing material and information to the attendees. Our LDA website reported a 200% increase in visits to our "Vacancies/Business Opportunities" page in the month following the tour.

ACCOUNTING

- Additional Support - We continue to work with a contracted accountant, who helps analyze and report our expenditures and income.

COMMUNITY ENGAGEMENT

- Handling Community Concerns – The LDA acted as community liaisons on two extended occasions where the general public voiced widespread concern over incoming businesses. In both cases we coordinated and facilitated communications and agreements between residents, merchants, property owners, and City Council representatives.
- Community Studies of the Laurel – We maintain our relationship with Mills College Public Policy Department, who conducted litter study for us this year.
- Community Collaborations – We continue to work with Laurel Village Association, Allendale Rec Center, 3 neighborhood schools, as well as the NCPCs from Allendale and Laurel to help boost recognition and attendance at all our public events and efforts. We also assisted in the Laurel Village Association this year with marketing, as well as printed banner design and installation for their neighborhood music festival, the Summer Solstice Festival.

III. Improvement and Activities To Be Provided for FY 13 -14

DISTRICT IDENTITY

Facebook Marketing and New Website

- Continue Online Engagement – maintain 2 Facebook accounts, updating daily with photos, features and discussions. Enlist more merchants to utilize the “Laurel District Association” page as a direct-marketing.
- Tie Facebook marketing to business attraction strategies
- Enhance “Business Opportunities” listings on our website.

Print Advertising

- Maintain current print advertising output.

Business Directories

- Continue distribution of Laurel business directories have been designed and distributed locally and throughout greater Oakland.

Street Banners

- Maintain rotation of two newly created banner sets.

Public Events

- Continue the annual Laurel Street Fair, Halloween, Lunar New Year Lion Dancing, Laurel Outdoor Movie Event Series.
- Increase the attendance at the Laurel Street Fair.

Laurel Street Team

- Maintain the Street Team Program.

PUBLIC RIGHTS OF WAY (PROW)

Maintenance and Landscaping

- Maintain the Maintenance and Landscaping Program

Capital Improvements

- Façade Improvements – Continue to assist and encourage City façade improvement projects on the commercial corridor.
- Leveraging City Resources – Seek ways for existing efforts (Laurel Design Guidelines, Litter Studies, Business Attraction Studies etc) to be implemented and supported by the City in zoning and business attraction efforts.
- Continue to share Design Guidelines with prospective and existing business and property owners.

Security

- Maintain the Laurel Security Ambassador Program, and maintain security hours and efforts.
- Work with property owners and merchants to enhance existing security camera coverage in high-crime areas.

ORGANIZATION

Merchant Trainings and Communications

- Conduct quarterly merchant meetings, consisting of news updates, event scheduling and planning, security trainings, and specialized online marketing training.

Accounting

- Continue to contract.

Community Engagement

- Continue to Present Online and Neighborhood Surveys
- Coordinating Volunteers for Business Attraction – We have been working with resident volunteers on developing a business attraction package for online and print distribution to targeted businesses.
- Continue relationships and projects with Mills College Public Policy Department, Laurel Village Association, Allendale Rec Center, as well as the NCPs from Allendale and Laurel to help boost recognition and attendance at all our public events and efforts.

IV. An Estimate of the Cost of Providing the Improvements and the Activities for FY 13-14.

See attached budget for details.

V. Method and Basis of Levying the Assessment

The method and basis of levying the assessment is as follows:

Property Variable	Size	Annual Cost	Building Use Code Applied	Total Generated by Variable	Percent of Total
Lot Square Footage	624,719 sf	\$0.1438	No	\$89,835	53
Building Square Footage (Range)	Type A= 248,851sf Type B-G= 97,768sf	Type A=\$0.09409 Type B= \$.05346	Yes	\$28,641	17
Linear Frontage	8,016	\$6.3774	No	\$51,121	30
Single Family Home and Condo Annual	NA	\$258.30	Yes	\$0	0
Total Annual Budget				\$169,597*	100

*This figure represents the projected maximum amount of assessments to be levied in FY 12/13. However, based on actual FY 12-13 receipts the proposed FY 13-14 budget (attached) incorporates an approximate 10% delinquency rate, resulting in projected FY 13-14 receipts of only \$154,500.

The method of levying the assessment has not changed from the adoption of the original ordinance.

VI. Surplus or Deficit Revenues To Be Carried Over From A Previous Fiscal Year

See attached budget for details.

VII. The Amount of Contributions To Be Made From Sources Other Than BID Assessments Levied.

See attached budget for details.

Laurel District Association FY 2013-14
Proposed Budget

Revenue*		
Projected Assessments 2013-2014:	\$	154,500
Anticipated Rollover from FY 12-13	\$	80,545
Total BID Balance for FY 2012-13	\$	235,045

	FY 11-12 Proposed Expenses
EXPENSES	
<u>Organization</u>	
Rent	
Staffing	
LDA Manager	\$27,500
Payroll Expenses	\$0
Telephone & Fax	\$1,200
Internet	\$140
Insurance	\$3,500
Accounting & Taxes	\$2,500
Bank Charges/Interest	
Annual Dinner/Merchant	
Meetings/Memberships	\$750
Office Supplies	\$500
Postage	\$100
Printing	\$2,500
Unallocated/Misc	
Subtotal	\$38,690
DISI General	
Website, Facebook & Graphic Design	\$0
Directory	\$1,000
Signage/Banners/Artwork/Decorations*	\$2,300
Special Events & Marketing	\$10,000
Street Festival	\$10,000
Advertising	\$3,000
Unallocated	
Subtotal	\$26,300
PROWSO	
Maintenance and Landscaping	\$43,000
Capital Improvements	\$5,000
Security	\$48,000
Unallocated	
Subtotal	\$96,000
OTHER	
County Fee (1.7%)	\$3,995
City Fee	\$500
City Loan Payment	\$4,000
Subtotal	\$8,496
Total Expenses for FY 2011-2012	\$169,486
Unallocated Reserves for Future FY Activities	\$65,559
Total Expenses	\$235,045