



FILED  
OFFICE OF THE CITY CLERK  
OAKLAND

2018 NOV 29 PM 3: **AGENDA REPORT**

**TO:** Sabrina B. Landreth  
City Administrator

**FROM:** Mark Sawicki  
Director, EWD

**SUBJECT:** Rockridge BID Annual Report and  
FY 2019-2020 Levy Approval

**DATE:** November 28, 2018

City Administrator Approval

Date:

11/29/18

**RECOMMENDATION**

**Staff Recommends That The 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 2019-2020.**

**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) 2019-2020 assessment, City Council would need to adopt the attached Resolution to levy the FY 2019-2020 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 2019-2020. 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 (**Exhibit A** to the attached 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 Oakland Neighborhood Business Improvement District Program to provide technical assistance

Item: \_\_\_\_\_  
City Council  
December 11, 2018

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) 2019-2020 assessment, the City Council adopted, on November 27, 2018 a Resolution of Intention (ROI) to levy the FY 2019-2020 Rockridge BID assessment, approve the district's annual report, and schedule a related public hearing for December 11, 2018. Adoption of the ROI is a prerequisite to the City Council's consideration of the attached Resolution to approve the FY 2019-2020 assessment. The related public hearing must take place no less than 10 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 assessment will be January 1, 2019 through December 31, 2019; however, services to be paid for by the above billing and collections will be provided on a March 1, 2019 through February 28, 2020 fiscal year basis per the attached proposed budget (attached as **Exhibit A** to the attached Resolution).

If the City Council approves the proposed FY 2019-2020 assessment, the Rockridge BID will generate an estimated \$158,400 of special assessment revenues, which is the same as in FY 2018-2019.

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 2019-2020.

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 (**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 the citywide Oakland Tourism BID (established 2015, renewed 2018) as well as area specific districts 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, renewed 2017), Lake Merritt/Uptown (established 2008, renewed 2018), Downtown Oakland (established 2008, renewed 2018) and Jack London (established 2013) commercial neighborhoods. BIDs are generally recognized as supporting the 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 2019-2020 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.

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 2019-2020 and \$50,000 of long term Capital Projects carryforward from the prior fiscal year. For the FY 2019-2020 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 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. An identical sub-classification and reduced assessment was permitted in FY 2018-2019.

### **FISCAL IMPACT**

No new 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 special assessment 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 2019-2020 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)/Administrative Project (1000019)/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 2019-2020 district budget (*Exhibit A* to the attached Resolution).

### **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 2019-2020.

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

Reviewed by:  
Micah Hinkle, Manager  
Business Development

Prepared by:  
Maria Rocha, BID Program Manager

2018 NOV 29 PM 3:19

# OAKLAND CITY COUNCIL

RESOLUTION NO. \_\_\_\_\_ C.M.S.

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## 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 2019-2020

**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 hereto as **Exhibit A**) ("Report"), which contains the required particulars including a detailed description of the improvements and activities to be provided for the 2019-2020 fiscal year (March 1, 2019 through February 28, 2020), 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 2019-2020 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 2019-2020; and

**WHEREAS**, on November 27, 2018, the City Council Adopted a Resolution of Intention to levy the fiscal year 2019-2020 assessment, approve the district's annual

report, and schedule a related public hearing for December 11, 2018 (or as soon thereafter as the matter may be heard), pursuant to Streets and Highways Code section 36534; and

**WHEREAS**, written notice of the December 11, 2018 public hearing was published in the newspaper in compliance with Streets and Highways Code section 36534(b); and

**WHEREAS**, if the District's proposed assessments for FY 2019-2020 are approved and levied, they will be held (until disbursed) in a special trust fund established by the Finance Management Bureau on behalf of the District in Miscellaneous Trusts Fund (7999)/Economic Development Organization (85411)/Pass Thru Assessments Account (24224)/ Administrative Project (1000019)/Rockridge BID Program (RBID); 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 December 11, 2018, 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 2019-2020. 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 2019-2020 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 2019-2020 assessment a temporary sub-classification of businesses that earn annual gross receipts of \$25,000 or less is hereby created with a reduced fee of \$60 (instead of the \$120 fee). This temporary sub-classification and reduced fee applies to fiscal year 2019-2020 only and will 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), Administrative Project (1000019), Rockridge Business Improvement District Program (RBID).

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, GIBSON MCELHANEY , GUILLEN, KALB, KAPLAN, REID, and PRESIDENT REID

NOES-

ABSENT-

ABSTENTION-

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



Exhibit A

(To the Resolution to Levy the FY 2019/20 Rockridge BID Assessment)

**Rockridge Business Improvement District  
Annual Report To The City Of Oakland  
Relating to the Fiscal Year 2019-2020**

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 in fiscal year 2019-2020**

Please see attached Accomplishments for this year to date. We plan to continue on the same course.

**III. Estimate of the cost of providing the improvements and activities for fiscal year 2019-2020**

See attached budget.

The Rockridge BID has expenses that do not recur on an annual basis. Examples are tree trimming, surveillance cameras, banners, and signage. 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.

**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.**

Starting in 2014 the notice has to be sent every five 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 assessesees 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 Anthony Barr, Treasurer of the Rockridge Business Improvement District, should you have any questions regarding this report.

October 2, 2018 revised

**RDA, a Rockridge Business Improvement District**  
**Proposed Budget**  
**March 2019 to February 2020**

**Income**

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

**Expense**

<b>Organization</b>	\$77,000
City of Oakland- Collection Cost	\$2,400
City of Oakland- Noticing	\$1,100
<b>Marketing &amp; Promotion</b>	\$37,900
<b>Streetscape &amp; Security</b>	\$40,000
<b>Capital Projects</b>	<u>\$50,000</u>
<b>Total Expense</b>	\$208,400

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RDA accomplishments year 2018

Once again the time has come to bring our accomplishments for 2018 to you.

We continue to make the district a better place to be. I'm happy to say that we've have negotiated a new street cleaning contract and have brought on Pacific Landscaping as our preferred vendor. They have provided a better product as this is so important as our members see the results on a daily basis. Speaking of street cleaning I am working with the city to remedy the lack of mechanical cleaning on Claremont Ave.

I have brought the issue of illegal new stands to the city attorney's office that have been placed on College Ave, causing blight. We are hoping for a resolution very soon, as this is not only an RDA concern but affects all of Oakland.

We have been working with the RCPC, the City of Oakland, Ford Go Bike and BART to help with a solution for the placement of the bike kiosk in relation to the Fire Tile Memorial wall at the BART Plaza. We hope in doing this that we will see better lighting, new benches and an increased cleaning of the area.

We continue to work on such matters as increasing the numbers of auto and scooter parking by working with Ford Go Bike. I have now been able to work with OakDot to convert an unused driveway to create possibly 3 additional parking spaces here on College, further south on College we will be able to provide 3 motorcycles or scooter parking in what was left over space from the bike share kiosk.

The RDA is working with our property owners and the Department of Economic Development to help fill our vacant storefronts, I'm happy to say they are starting to fill. Soon to open is a Cider bar, boba tea bar, and our new Vietnamese restaurant is up and running, new Pizza Marica will also open very soon.

We are excited to celebrate year number 2 of our lighted holiday decorations. This brings cheer to the Ave and giving a more festive feel.

We are Working closely with OPD, we've seen a decrease in auto burglaries and other.

We have a board that has given countless hours of time to make all this happen. I make this statement every year, I'm still amazed that we can bring to Oakland and our district what we do with one of the smallest BID budgets.

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**Rockridge District Association, a Rockridge Business Improvement District**

5940 College Ave Ste F ■ Oakland ■ CA 94618  
■ Phone 510-604-3125 ■  
chris@rockridgedistrict.com ■ www.rockridgedistrict.com

Rockridge District Association a RBID  
Board 2018 - 2019

	Board Member Name:	Officers	OY	Business:	Business Address:	Phone: (510)	Email Address:	Elected/Re-Elected
1	Louise Rothman-Riemer		1999	DHR Investment Counsel	5435 College Ste 200	596-2580	<a href="mailto:louise@dhr-counsel.com">louise@dhr-counsel.com</a>	2017
2	Veronica Bhonsle		2005	VERO	6052 College	985-0406	<a href="mailto:vbhonsle@aol.com">vbhonsle@aol.com</a>	2017
3	Joyce Gardner		2006	FIT	5707 College	923-0784	<a href="mailto:fitclothing@att.net">fitclothing@att.net</a>	2018
4	Susan Bernosky	P	2006	Strahan Ins Svcs Inc	5940 College	450-9050	<a href="mailto:susan@susanbernosky.com">susan@susanbernosky.com</a>	2018
5	Maggie Klein		2013	Oliveto	5655 College	547-5356	<a href="mailto:maggie@oliveto.com">maggie@oliveto.com</a>	2017
6	Lauren Field	S	2013	Lauren G Field	5332 College Ste 100	658-2525	<a href="mailto:laurenfield@gmail.com">laurenfield@gmail.com</a>	2017
7	Robin Pennell	VP	2013	Jarvis Architects	5278 College Ave	654-6755	<a href="mailto:rpennell@jarvisarchitects.com">rpennell@jarvisarchitects.com</a>	2017
8	Aleksey Gurov		2017	Fremont Bank	6300 College Ave Ste 160	851-7741	<a href="mailto:aleksey.gurov@fremontbank.com">aleksey.gurov@fremontbank.com</a>	2017
9	Anthony Barr	T	2017	Henry Levy Group	5940 College Ave Ste F	652-1000	<a href="mailto:anthony@hglcpa.com">anthony@hglcpa.com</a>	2017
10	Katy Winter		2017	Vita	6034 College Ave	917-843-2758	<a href="mailto:katy@myhealthyvita.com">katy@myhealthyvita.com</a>	2017
11	Andrew Snow		2018	The Golden Squirrel	5940 College Ave	735-9220	<a href="mailto:andrewsnow@gmail.com">andrewsnow@gmail.com</a>	2018