



**CITY OF HAYWARD**  
**AGENDA REPORT**

AGENDA DATE 06/19/07  
AGENDA ITEM 6  
WORK SESSION ITEM \_\_\_\_\_

**TO:** Mayor and City Council  
**FROM:** Director of Community and Economic Development  
**SUBJECT:** Downtown Business Improvement Area Consideration of Annual Levy

**RECOMMENDATION:**

It is recommended that the City Council adopt the attached resolution authorizing the levy and collection of fees within the Downtown Business Improvement Area (DBIA) for the calendar year 2008.

**BACKGROUND:**

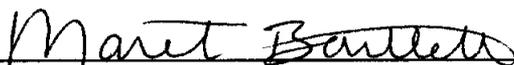
The DBIA exists for the purpose of undertaking improvements and activities designed to promote the business environment in downtown Hayward. Most retail, service, professional, and financial institutions within the boundaries of the DBIA are assessed an annual levy, which is collected by the City's Finance Department. The levy amount, as detailed in Attachment 1, varies by business license category and by zone in which the business is located. A small minority of business license holders located within the DBIA are exempted from the levy.

In accordance with State law, the levy may be approved each year by City Council only after the adoption of an annual report submitted by the Citizens' Advisory Board, and after holding a public hearing regarding the proposed levy.

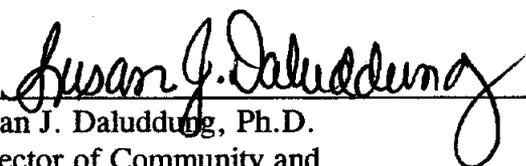
On June 5, 2007, the City Council accepted the FY 2006-07 DBIA Annual Report and FY 2007-08 budget recommendations submitted by the DBIA Advisory Board. The Report projected \$55,000 to be collected from the DBIA levy. It also allocated \$35,000 in funding by the Redevelopment Agency and a transfer of \$5,000 in reserve funds. Thus, the total budget allocation for DBIA for FY 2007-08 is \$95,000, as detailed in Attachment 2. The DBIA's annual report recommended no changes to DBIA district boundaries, benefit zones, or the method of the levy at this time.

Notice of the June 19, 2007 public hearing was published by the City Clerk on June 9, 2007 or 10 days prior to the public hearing. It is recommended that the City Council hold the public hearing to take any testimony regarding the proposed 2008 levy, and that the City Council subsequently adopt the attached resolution authorizing the collection of assessments for the calendar year 2008.

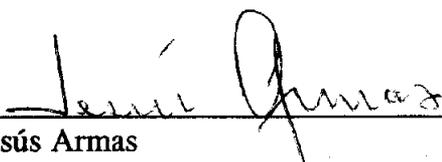
Prepared by:

  
\_\_\_\_\_  
Maret Bartlett  
Redevelopment Director

Recommended by:

  
\_\_\_\_\_  
Susan J. Daluddung, Ph.D.  
Director of Community and  
Economic Development

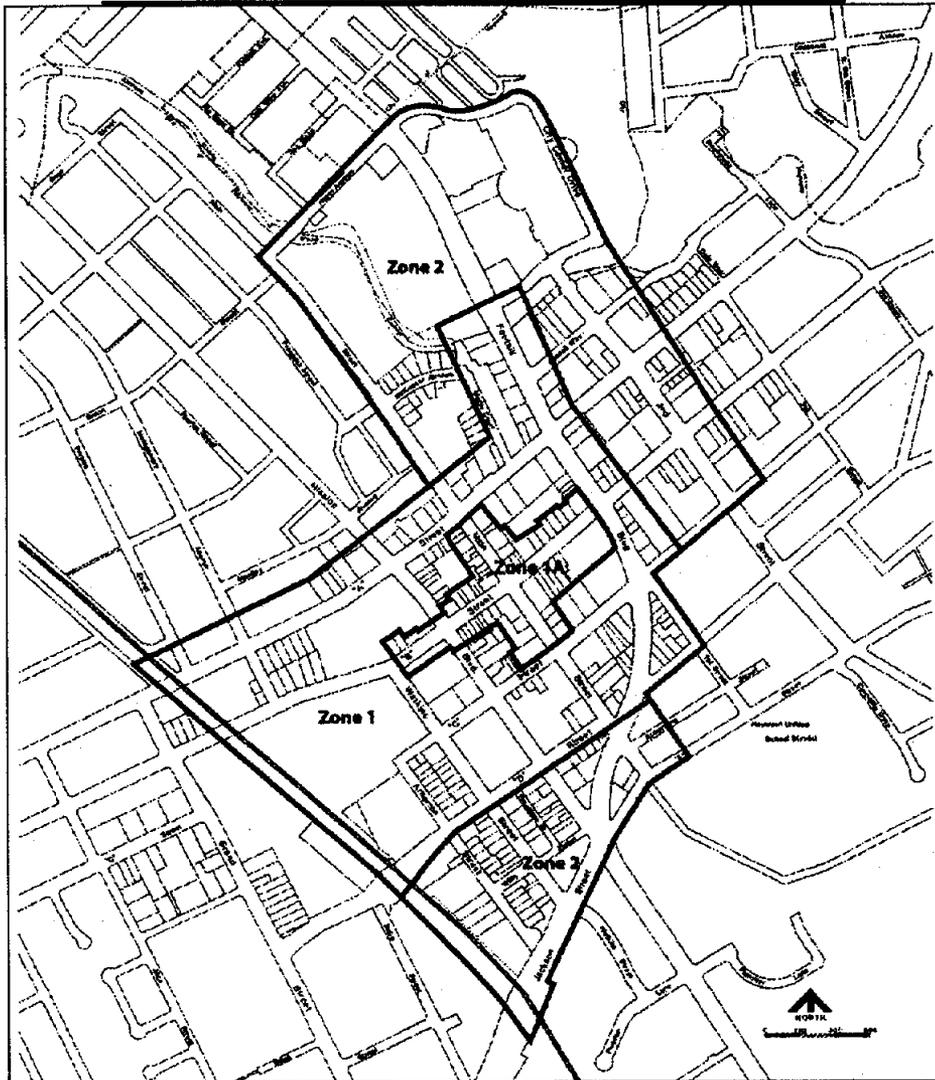
Approved by:

  
\_\_\_\_\_  
Jesús Armas  
City Manager

Attachment 1: Downtown Hayward BIA Current Zones and BIA Fee Structure  
Attachment 2: 2007-2008 Adopted Budget  
Resolution

# ATTACHMENT 1

## DOWNTOWN HAYWARD BIA CURRENT ZONES



### BIA FEE STRUCTURE

All businesses classified as PROFESSIONAL SERVICE AND MISCELLANEOUS NON-RETAIL which are located in **Zone 1A** shall pay a flat fee of \$125.00 per year. **Zone 1** is a flat fee of \$75.00 per year.

All businesses classified as FINANCIAL which are located in **Zone 1A** shall pay a flat fee of \$325.00 per year. **Zone 1** is a flat fee of \$200.00 per year.

All businesses classified as PROFESSIONAL SERVICE AND MISCELLANEOUS NON-RETAIL which are located in **Zone 2** shall pay a flat fee of \$75.00 per year.

All businesses classified as FINANCIAL which are located in **Zone 2** shall pay a flat fee of \$200.00 per year.

All businesses classified as RETAIL shall pay an assessment based on the following gross receipts schedule:

GROSS RECEIPTS	ZONE 1A	ZONE 1	ZONE 2	GROSS RECEIPTS	ZONE 1A	ZONE 1	ZONE 2
Less than \$100,000	\$145.00	\$120.00	\$90.00	\$400,001 - \$ 500,000	\$355.00	\$330.00	\$250.00
\$100,001 - \$150,000	\$175.00	\$150.00	\$115.00	\$500,001 - \$ 750,000	\$425.00	\$400.00	\$300.00
\$150,001 - \$200,000	\$205.00	\$180.00	\$135.00	\$750,001 - \$1,000,000	\$495.00	\$400.00	\$300.00
\$200,001 - \$300,000	\$255.00	\$230.00	\$175.00	\$1,000,001 and up	\$525.00	\$400.00	\$300.00
\$300,001 - \$400,000	\$305.00	\$280.00	\$210.00				

## ATTACHMENT 2

### FY 2007-08 BIA Budget

<b>Revenues</b>	
BIA Assessments	\$ 55,000
Redevelopment Agency Contribution	\$ 35,000
Reserve Funds	\$ 5,000
<b>Total Revenues:</b>	<b>\$ 95,000</b>
<b>Expenses</b>	
Summer Street Parties	\$ 24,000
“Light Up The Season”	\$ 22,000
Banners – Maintenance & Rotation	\$ 13,600
Publications	\$ 22,400
Sidewalk Cleaning	\$ 13,000
<b>Total Expenses</b>	<b>\$ 95,000</b>

#### PROPOSED ACTIVITIES FOR FISCAL YEAR 2007-08:

##### **Summer Street Parties**

**\$24,000**

The Summer Street Parties are organized by the Hayward Chamber of Commerce under contract to the DBIA. Proposed funding for the evening street parties, which take place in June, July, August, and September, reflects a slight increase over the 2006-07 level of \$23,600 to cover increases in the cost of performer honorariums. As these events have grown in scale and popularity since they were introduced seven years ago, the DBIA Advisory Board Members recommend continuing the fourth event taking place in September which was revived last year and was well received by the community.

##### **“Light Up The Season”**

**\$22,000**

This event takes place during the evening of the first Thursday after Thanksgiving Day. It started as a community tree lighting ceremony in Newman Park, and for the past six years it has gradually expanded along B Street between Mission and Foothill Boulevards, featuring holiday activities and entertainment oriented to families and the community. It has been proposed that the seasonal tree lighting take place in the City Hall rotunda this year, in order to provide a better venue for this activity. A committee of DBIA members will meet to further explore ways to enhance the events and increase the number of persons who visit downtown. An additional \$4,000 has been added to this budget line item in order to provide additional holiday decorations and event attractions.

##### **Banners Rotation and Maintenance**

**\$13,600**

No new banners are proposed to be purchased in this fiscal year. Two banner sets have been replaced in recent years, and all four sets are in adequate to good condition. As in previous years, seasonal banners are rotated four times a year during fall, winter, spring, and summer.

**Publications****\$22,400**

The Board proposes to continue with the four newsletters that are mailed to businesses in the DBIA. In addition, there are two tabloids published during the year in the Daily Review to promote downtown events. One is published for Light Up The Season and the second will be published to kick off the Summer Street Parties. The budget for this line item is \$22,400.

**Sidewalk Cleaning****\$13,000**

The downtown sidewalks are pressure washed in late spring throughout the downtown with a second cleaning in early fall along B Street between Watkins Street and Foothill Boulevard. Staff anticipates a slight cost increase from last year to provide this service.

# DRAFT

HAYWARD CITY COUNCIL

RESOLUTION NO. 07-

*me*  
*6/12/07*

Introduced by Council Member \_\_\_\_\_

**RESOLUTION CONFIRMING THE ANNUAL REPORT AND  
AUTHORIZING THE DOWNTOWN BUSINESS  
IMPROVEMENT AREA (DBIA) LEVY FOR CALENDAR  
YEAR 2008**

WHEREAS, on June 5, 2007, the City Council accepted the FY 2006-07 DBIA Annual report; and

WHEREAS, the Council established June 19, 2007, as the date for the public hearing on the levy and provided for oral and written protests at that hearing; and

WHEREAS, the DBIA Advisory Board recommended no changes to the DBIA district boundaries, benefit zones or the method of the levy.

NOW THEREFORE BE IT RESOLVED that the City Council of the City of Hayward finds as follows:

1. The resolution of intention was appropriately adopted and the required notice of the assessment hearing given.
2. The assessment hearing has been held and all oral and written protests considered.
3. There has not been a majority protest to the assessment.
4. All properties in the district will derive benefit from the assessment in proportion to the assessment.

BE IT FURTHER RESOLVED that the Council hereby confirms the DBIA Annual Report and orders the levies contained in the report.

IN COUNCIL, HAYWARD, CALIFORNIA June, 2007

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:  
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: \_\_\_\_\_  
City Clerk of the City of Hayward

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney of the City of Hayward