

CONSENT CALENDAR
April 29, 2014

To: Honorable Mayor and Members of the City Council

From: (Christine Daniel, City Manager

Submitted by: Michael J. Caplan, Director, Economic Development

Subject: Assessments: North Shattuck Business Improvement District

RECOMMENDATION

Adopt a Resolution:

- 1. Approving the FY 2014 Annual Report of the North Shattuck Business Improvement District (NSBID);
- Declaring Council's intention to levy an annual assessment for the NSBID for FY 2015; and
- 3. Scheduling a public hearing for June 10, 2014.

FISCAL IMPACTS OF RECOMMENDATION

The proposed assessment rates for FY 2015 are unchanged from FY 2014. Collections from those assessments are projected and budgeted at approximately \$168,549.25 in FY 2015. There is currently a fund balance of \$40,195 as of the beginning of FY 2014 which will be appropriated for FY 2015. Funds not spent in any given fiscal year are carried over into future years. The assessments for the NSBID are recorded in account 478-8703-370-30-01.

The NSBID constitutes an independent funding source that by State law must be targeted to improvements and activities within the defined geographic boundaries of the NSBID assessment area. The only costs to the City involve time by Economic Development staff to assist the NSBID in program implementation and the annual reassessment and time by Finance Department staff to account for and disburse BID funds. To the extent that the work of the NSBID enhances the development of the North Shattuck District and its business climate, the NSBID contributes towards enhanced City revenues through increased sales and property taxes.

CURRENT SITUATION AND ITS EFFECTS

State legislation that authorizes formation of property-based BIDs (*California Streets and Highways Code*, Sections 36600 et. seq.) requires that the BID governing body submit an Annual Report on operations and a budget proposal to the City Council each year. The City Council may approve them with a Resolution to reauthorize the annual assessments. Accordingly, the Board of Directors of the North Shattuck Association, the non-profit that manages the NSBID, met in a publicly noticed meeting on April 3, 2014

to review and approve the attached Annual Report for the NSBID for FY 2014 (Exhibit A). The report recommends that the assessments for FY 2015 be levied on the same basis and method, and within the same boundaries, as they were levied for FY 2014. It also includes a budget for improvements and activities for FY 2015 and an estimated cost for providing them.

BACKGROUND

The NSBID was established by Resolution of the Berkeley City Council on July 10, 2001 (Resolution No. 61,168-N.S.) to implement a Management District Plan that had been developed by a steering committee of merchants and property owners. In accordance with this Management District Plan that was incorporated in Resolution No. 61,168-N.S, the NSBID had a lifetime of ten years, expiring in 2011. On May 3, 2011, Council approved Resolution No. 65,265-N.S. reestablishing the NSBID for an additional 10 years, expiring in 2021. The Management District Plan that was adopted by Council in 2011 as part of the reestablishment of the District provides an overall format and budget for the NSBID's activities.

The NSBID finances special improvement, maintenance and marketing activities that benefit commercial properties and businesses in the North Shattuck District. NSBID activities are over and beyond baseline services provided by the City.

In FY 2015, the NSBID will continue its ongoing services including district maintenance, public improvements, and marketing/promotional activities. The NSBID will continue its contract with the District Ambassador Program to provide cleaning and outreach services in the public right of way. Additional utility box public art projects will be completed, new district identity banners will be designed and installed, and several parklet projects will be developed in conjunction with businesses and property owners. Events and activities promoting the district will continue throughout the year, including a fall street festival, winter holiday promotions and Snow Day, a Valentine's Wine Walk, the Taste of North Berkeley, and the Chocolate and Chalk Art Festival. A district guide will be published, regular arts and events newletters will be sent out, and ongoing marketing efforts will continue via the website, Facebook and other social media. The NSBID will also continue to liaison and coordinate with other business district organizations, Visitor Berkeley, the Chamber of Commerce, and the Buy Local Berkeley Program to promote local business and economic development opportunities in Berkeley.

ENVIRONMENTAL SUSTAINABILITY

By maintaining and enhancing the district, the North Shattuck Association (NSA) creates shopping opportunities for residents and visitors alike while encouraging alternative forms of transportation. The district is located walking distance from the North Berkeley and Downtown Berkeley BART Stations. Several AC transit lines provide easy accessibility to visitors coming to and from this popular regional destination. NSA has also partnered with the City's Transportation Department and Safe Routes for Schools to install bulb outs at cross walks to make it safer to walk near

schools and this busy business district. Additionally, NSA and the City's Transportation Department has placed multiple bike racks along the district include a bicycle shelter in the corner of Shattuck Ave and Vine Street. Because the district is well served by public transportation and biking infrastructure, these services indirectly support environmental sustainability goals of encouraging alternative transportation choices.

RATIONALE FOR RECOMMENDATION

Property and Business Improvement District Law of 1994 requires that the BID Board prepare an annual report for each fiscal year in which assessments are to be levied. The report shall include any proposed changes in the boundaries of the district, the improvements and activities proposed for the year, and an estimate of the cost for providing them. In this case there are no proposed changes in the boundaries of the district or the rate of the assessment so Council action is required only to approve the Annual Report, state the intent to levy assessments, and set a date for a public hearing.

ALTERNATIVE ACTIONS CONSIDERED

The Board of the NSBID considered whether to increase the assessment but decided not to do it this year.

CONTACT PERSON

Elizabeth Garcia, Community Development Project Coordinator, Office of Economic Development, 981-7536

Attachments:

1: Resolution

Exhibit A: Report for Fiscal Year 2014 and Proposed Budget for FY 2015

RESOLUTION NO. ##,###-N.S.

APPROVING THE ANNUAL REPORT OF THE NORTH SHATTUCK BUSINESS IMPROVEMENT DISTRICT FOR FISCAL YEAR 2014, DECLARING INTENT TO LEVY ASSESSMENTS FOR 2015, AND SETTING A PUBLIC HEARING ON THE LEVY OF ASSESSMENTS FOR JUNE 10, 2014

WHEREAS, the Property and Business Improvement District (PBID) Law of 1994 as amended (California Streets and Highways Code Section 36600 et. seq.) authorizes cities, with the consent of property owners, to fund property-related improvements, maintenance and activities through the levy of assessments upon the real property that benefit from the improvements, maintenance and activities; and

WHEREAS, after ten years of successful operation, on May 3, 2011 the Berkeley City Council reestablished the North Shattuck Business Improvement District (hereafter, "the District") for an additional ten year period by Resolution No. 65,265-N.S.; and

WHEREAS, on April 3, 2014 the Board of Directors of the District adopted the Annual Report for 2014 that recommends services for 2015 with a budget for the cost of providing them and has now submitted it to the City Council as Exhibit A; and

WHEREAS, the Annual Report and materials attached to it are on file with the City of Berkeley City Clerk and these materials contain a detailed description of the boundaries of the North Shattuck Business Improvement District; and

WHEREAS, said Annual Report also contains information with a list of assessed properties and the method and basis for levying the assessment and a recommendation that this method and basis be continued for FY 2015; and

WHEREAS, there is currently a fund balance of \$40,195 at the end of FY 2014 and which will be appropriated in FY 2015.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that pursuant to provisions of Section 36600 et. seq. of the California Streets and Highways Code:

- 1. The City Council confirms the Annual Report of the North Shattuck Business Improvement District for 2014.
- 2. The City Council intends to levy special assessments on property within the boundaries of the District for FY 2015 in the amounts and on the business classifications set forth in the Annual Report that is attached hereto and incorporated herein by reference.
- 3. A public hearing on the levying of assessments within the District for FY 2015 shall be held before the City Council on the 10th day of June, 2014, in the

Council Chambers, 2134 Martin Luther King Jr. Way, Berkeley, California. Council meetings begin at 7 pm. At this hearing, the Council will hear all interested persons for or against the levying of assessments for the purposes described in the Annual Report. A protest may be made orally or in writing by any interested person. Written protests shall be filed with the City Clerk at or before the time fixed for the public hearing. Each written protest shall contain a description of the business or property in which the person subscribing the protest is interested sufficient to identify the business or property. Following conclusion of the public hearing, the City Council may confirm the Annual Report and levy assessments for 2015.

Exhibits:

A: Annual Report for Fiscal Year 2014 and Proposed Budget for FY 2015



NORTH SHATTUCK ASSOCIATION ANNUAL REPORT TO THE CITY OF BERKELEY FISCAL YEAR 2014

Introduction

The North Shattuck Business Improvement District (NSBID) was reestablished for a new 10-year period by the Berkeley City Council on May 3, 2011 (Resolution No. 61,168-N.S.) under provisions of the State of California Property and Business Improvement District Law of 1994. The NSBID was formed in 2001 to implement a Management District Plan developed to address the specific needs of the District, which encompasses 49 properties located on Vine Street and along Shattuck Avenue from Delaware to Rose Street. The Management District Plan sets forth the projected activities of the NSBID and the allocation of BID assessment revenues to each activity. The Management District Plan can only be changed through a formal process involving notices to all property owners and a public hearing before the City Council. The NSBID has a life of ten years from the date of establishment of the District, and operates on a July through June fiscal year.

The Property and Business Improvement District Law of 1994 requires that the owners' association that is responsible for administering a BID prepare an annual report for each fiscal year for which assessments are to be levied. The report shall include any proposed changes in the boundaries of the district, the improvements and activities for the year, an estimate of the cost of the improvements and activities, the method and basis for levying the assessment, the amount of any surplus or deficit revenues to be carried over from a previous fiscal year and the amount of any contributions from other sources. The City Council may approve the report as filed or may modify any particular contained in the report and then approve it as modified.

This report reviews Fiscal Year 2013-2014 operations, and states goals and objectives for Fiscal Year 2014-2015 of the NSBID, which begins July 1, 2014.

Review of Prior Fiscal Years

In FY2002, the North Shattuck Association, a private 501 (c) (6) non-profit corporation, was formed to manage the NSBID, which had been established with a majority weighted vote of property owners in July 2001. The North Shattuck Association entered into a contract with the City of Berkeley administration of BID revenues of approximately \$160,000 annually, which are collected through Alameda County's property tax collection process and forwarded to the City. The North Shattuck Association began implementation of the approved District Management Plan for economic development organized around business assistance/attraction, marketing/promotions, and maintenance/beautification activities. Operations began late 2002 with the opening a district office, establishment of a 7 member Board of Directors, entering into a contract for regular sidewalk and public space maintenance, and installing 35 new planters and coordinating with the City of Berkeley to place 22 new "Recycliter" cans in the district. In FY2003, the Association produced public information and

marketing materials including a newsletter, website, and business directory. Maintenance and beautification activities included installation of additional landscaped planters, painting of all district area lightpoles, and newrack consolidation. The Association completed a holiday marketing campaign and produced the first annual Spice of Life Festival held in October 2003 to highlight the area's diverse selection of food, arts, and health and wellness resources. This signature event continued until through 2011, featuring cooking demonstrations by local chefs, gourmet food sampling, wine tasting, yoga and bodywork classes, live music, art activities and artisan booths. Local non-profit organizations and schools, along with area businesses, were highlighted during this event, which grew to draw over 10,000 people to the district.

In FY2004, the Association's Board was successfully expanded from 7 to 9 members representing properties and businesses throughout the district, and memberships in the Berkeley Chamber of Commerce and Berkeley Convention and Visitors Bureau were initiated. Association staff provided information and assistance to new and existing businesses in the district, including lobbying on behalf of use permits and other needed zoning clearances, and working with the Ecology Center to gain needed approvals to move the North Berkeley Organic Farmer's Market to a year-round street location at Rose and Shattuck.

During FY2005, a Marketing and Promotions Subcommittee oversaw the design of a new visual brand for the area capitalizing on the strength of the "Gourmet Ghetto" moniker and developed a two-year marketing strategy district to integrate the brand into general and holiday advertising, an area brochure, and the website. The strategy also included hiring a publicist to generate press releases and promote editorial pieces. The Association participated as a sponsor of the Himalayan Fair, and exhibited at the Solano Stroll and the two-day Live Oak Park Fair, promoting the district's businesses, events, and website with a raffle and product giveaways.

In FY2006, the Association was active in the Berkeley Business District Network, and became a member of the California Downtown Association, a statewide network of groups focused on economic development and commercial revitalization. Maintenance and beautification activities included the coordination of the design and installation of 19 decorative banners for the North Berkeley Farmers' Market. The Association continued marketing/promotions activities, including showcasing the area and its new businesses at local festivals, and a series of general ads in local magazines and newspapers. The district was also the focus of several editorial pieces including a one-page feature on the area that appeared in the April 2006 issue of San Francisco Magazine. In late 2006, the district welcomed a host of new businesses including 8 new food related businesses in the new Epicurious Gardens development in the former Dale Sanford building.

During FY2007, the Association extended its decorative banner project to the entire district with a series of banners celebrating ACCI Gallery's 50th Anniversary. The district organized the North Berkeley ArtWALK as part of the celebration, which showcased ACCI and other local artists whose work was placed in area businesses. The event became an ongoing monthly event highlighting special exhibitions at area galleries, including the Berkeley Art Center and Firehouse North Gallery. The Association also joined the Berkeley Cultural Trust to promote arts and event development and funding in the city with

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other district associations and arts organizations. The Association was active in the Berkeley Business District Network (BBDN) participating in BALLE's national economic sustainability convention held in the city in June 2007, and initiating the Buy Local Berkeley citywide marketing program.

In FY2008, a survey of business and property owners was conducted to gain input on the direction of the district's marketing activities. The results guided the Association to organize a weekly culinary/shopping tour for the district featuring area history, interviews with local shopkeepers and chefs, product sampling and a visit to the North Berkeley Organic Farmers' Market. The survey also indicated support for additional arts related events, and the Director worked with Another Bullwinkel Show to locate and produce the Chocolate and Chalk Art Festival in the North Shattuck district in May 2008 (moving it from Solano Avenue) featuring chocolate sampling and specialty products in area businesses, and a sidewalk chalk art contest.

The Association coordinated with the City on implementation of parking meter timing changes to extend meters along Shattuck to a two-hour maximum time limit and working with the owners of private lots in the area to identify monthly employee parking. The Association also provided input and support for Mayor's Public Commons for Everyone Initiative and changes to existing laws to control inappropriate street behavior and ensure business vitality in the city's commercial districts, working with local service providers to develop working relationships and strategize on future improvements to social service delivery. The district also assisted businesses with several special events and fundraisers, including a fundraiser for the Berkeley High Development Group at the Cheeseboard, the Cheeseboard 30th Anniversary celebration, and Gregoire's 5th Anniversary party.

During FY2009, the Association worked with the Berkeley Business District Network (BBDN) on the Buy Local Berkeley campaign, assisting with a Holiday marketing campaign, recruitment of local businesses, ads, marketing materials, and website development. Winter Holiday promotional activities in the NSBID area included extension of holiday lighting to the sidewalk street trees for the entire length of the district, as well as lighting and decorations in median tree locations with electricity access, holiday banners, and musical performances throughout the district on Saturdays and Sundays in December.

The Executive Director attended quarterly meetings with the City Manager and regularly coordinated with City of Berkeley staff to address maintenance issues and to coordinate public improvement projects, including forming a Pedestrian Safety and Transportation Working group with members of the Board of Directors, and AC Transit and City of Berkeley staff to look at potential improvements to parking, pedestrian crossings and bus stops in the area.

The Association received a \$1027 City of Berkeley Civic Arts Grant for the Chocolate and Chalk Art Festival, which again featured chocolate sampling and specialty products in area businesses, and a sidewalk chalk art contest. A new festival area was added to the event hosting chocolate and chocolate related vendors and sponsor booths. The Association also partnered on a community art project entitled "Paving the Way", which involved area businesses, ACCI Gallery, and the MLK Jr. Middle School community to create and display mosaic art tiles and raise funds for the school. The project paired volunteer artists and MLK art teachers to work with students to create over 100 tile pavers which were

auctioned at a fundraising event at the Gallery that raised over \$1000 for the school's art program. The Association continued to produce a monthly Arts and Events guide, moving it to a web-based newsletter format, featuring information about exhibition openings and special events as well as business news and shopping specials.

During FY2010, the Association formed a Stakeholder Group and undertook a selection process for hiring a BID renewal consultant, entering into a contract with New City America to complete the project. They also provided input on the City's Pedestrian Plan and supported several successful grant applications for a bicycle parking "oasis" at Vine St. and improvements to the Virginia street crossing at Shattuck under the "Safe Routes to Schools" program.

Artwork by local artists was placed in vacant storefront windows in the district in a joint project with the Downtown Business Association. The Association assisted a local artist group, Growing Connections, to secure a mural site at Virginia Bakery, get the Berkeley Foundation for the Arts as a fiscal sponsor, solicit donations for a fundraiser at ACCI Gallery, and provided \$1500 in seed funds for the mural which featured a "Slow Food" theme.

The Association worked with the East Bay Style Collective to produce a Food, Wine and Fashion event on Saturday, July 11th on the access street north of Vine. The event featured a runway show with fashions from local boutiques and make-up and hair by the East Bay Style Collective. Food was provided by several district restaurants and local businesses. Another new event, the "Taste of North Berkeley" restaurant walk was held in early spring with the Berkeley Lion's Club to benefit their community fund. The event involved over 25 businesses and restaurants who offered tastes of their cuisine and wine tasting. The event was a sell-out, bringing over 500 people into the district, and raised over \$9,000 for the non-profit.

In FY 2011, the Association worked with BID renewal consultant New City America, to successfully complete a petition drive and formal balloting for the project. The BID passed in May 2011 for another 10-year cycle with an 83.52% weighted majority vote. Assessment rates and formulas remained at the levels specified in the original 2001 Management Plan. Allocations to the program elements were hanged slightly, with a reduction of 10% into Maintenance/Beautification budget which was redirected to increase the Marketing/Promotions and Organization/Administration program elements budgets by 5% each.

During this year, the Association provided input on proposed zoning amendments for the C-2 and NS-1 commercial districts governing the area including lifting limitations on medical offices, gyms, and dance uses on ground floors, provisions for exceeding use quotas, and regulations regarding amplified music in commercial establishments. The Association also participated in meetings between area businesses and property owners and the Safeway staff and project architects regarding their proposed remodel of the Shattuck store, providing input and support for the project through the City review process.

The Board of Directors and AC Transit and City of Berkeley staff continued to meet to discuss improvements to parking, pedestrian crossings and bus stops in the area. The Association worked with

Design, Community & Environment, a local design firm, to develop a plan for a bollard system for increased pedestrian safety in the Farmer's Market area along with a parking reconfiguration to diagonal to create 10 more parking spaces in the area.

During the spring, the Association worked with area businesses, various City Departments and Councilmember Capitelli to gain approval for a weekly gourmet mobile food market in the district, developing a proposal with organizer Matt Cohen for an "Off the Grid North Berkeley". The event was sited in the North Berkeley Farmer's Market area using the approved street closure plan for the market. The weekly event had its kick-off in early June 2011 and garnered extensive media coverage in the lead up to the start date including various food bloggers, daily and weekly newspapers, and a national TV spot on the NBC Morning Show.

During FY 2012, "Off the Grid North Berkeley" hosted a number of area eateries in a rental food truck and their participation was part of the Association's marketing efforts around the event, along with tie-ins to local business offerings of food and drink specials, music, and art exhibits to draw event patrons into the wider area. The event continued in the area until December 2012. The Association sponsored several art-related projects in FY2012, including a community art project entitled "Take 5: Art Break Day" held simultaneously on September 2nd, 2011 in five cities in the Bay Area. The district provided funding and hosted an art-making station at the corner of Vine and Shattuck where the public was invited to take a break and make art.

Working with LocalOn, a website update was started using their platform that allows for business listing personalization and automated social media links. The Association developed a social media presence on Facebook and Twitter, produced an updated Shopping and Dining guide/map, placed ads in the Visit Berkeley and Chamber of Commerce guides, Eco-Metro Guide, and numerous local papers highlighting events, and provided information for editorial pieces on the district.

The Association continued to work with City of Berkeley staff on developing and implementing the plan for parking configuration changes and a bollard system for increased parking and pedestrian safety in the Farmer's Market area, and based on the success of the parklets created during Spice of Life Festival and on Parking Day, a group of merchants and local residents started meeting toward the creation of parklets to provide additional seating and bicycle facilities in the district.

During FY 2013, the Executive Director met with and made presentations to various City Commissions, community groups and the Board of Realtors about proposed City and Association sponsored public improvement projects in the district, including the grant funded bicycle parking shelter at Vine St. and improvements to the Virginia street crossing at Shattuck under the "Safe Routes to Schools" program. The plan for a bollard system for increased pedestrian safety in the Farmer's Market area along with a parking reconfiguration to diagonal to create 10 more parking spaces in the area, and proposed parklets projects were also detailed. The Association coordinated with local businesses and the City on the installation of the grant funded bicycle shelter at Vine St. and Shattuck in April 2013.

The Association continued to work with interested businesses and local designers on a "parklets"

program to provide additional seating and bicycle facilities in front of key sites in the district, including the Cheese Board, Philz Coffee/Guerilla Café, and Saul's/Masse's. Meetings were held with City Departments to discuss program elements in San Francisco and Oakland and advocate for development a City program. The parklets group designed an online survey, worked with businesses and designers to develop conceptual plans for projects near interested businesses, and coordinated the placement of a demonstration parklet constructed by a local designer in the parking bay in front of Philz Coffee during Sunday Streets. The Association agreed to provide seed funds to the projects and help coordinate construction with volunteers and donated supplies. Adjacent businesses would provide insurance and assist in the daily and long-term maintenance of the projects.

The Executive Director worked with the Berkeley Arts Magnet Elementary school to fundraise for short-term improvement projects and a longer-term schoolyard remodel to incorporate outdoor learning areas. The Association coordinated merchant donations of supplies and refreshments for community work days and organized meetings to connect the PTA and BAM school administrators with the Foundation for Youth Initiatives, a non-profit funding organization, for longer term projects.

On October 17th, 2012 the Association partnered with Livable Berkeley and the Downtown Berkeley Association to produce the first Sunday Streets Berkeley, open-streets event, in lieu of the Spice of Life Festival. The event closed Shattuck from Rose to Haste Street with health and environmental activities by local organizations and businesses, and community group and non-profit information booths. No outside commercial vendors are allowed in the event, which instead features the businesses along the route. District businesses participated with outdoor yoga classes, special art exhibits and activities, sidewalk sales, etc. and restaurants brought seating into the streets. The Association brought out umbrellas and tables for restaurant use, and also produced a companion event was held on Vine Street, which was closed from Shattuck to Walnut St. to create a picnic area and beer/wine garden hosted by the Vintage Berkeley wine shop.

Winter Holiday 2012 promotional activities included installation of holiday lighting in the street trees, holiday banners, ads in the Express and Chronicle newspapers, online promotion through e-blasts and Facebook, and musical performances throughout the district on Saturdays and Sundays in December. The 3rd "Snow Day in Berkeley" was held on Sunday, December 2 in a new location on the parking lot near Poulet to accommodate the growing number of attendees. Activities included visits with the Snow Queen, a mound of snow for play, arts and crafts activities, and several vendors. Other local businesses had related events that day, including M. Lowe and Co.'s "Find the Ice in the Snowball" school fundraiser and Saul's annual Latke Party. The district participated in the Buy Local Berkeley Holiday Campaign which featured a free holiday mobile phone coupon application developed with Chinook Book offering discounts at independent businesses. The application was marketed to their 15,000 mobile app users and to the public through ads, posters, and banners promoting the mobile app and encouraging holiday shopping at locally-owned small businesses.

With the Berkeley Lion's Club, the Association again produced a Spring "Taste of North Berkeley" on the evening of May 7th with event proceeds benefitting local charities through the Lions Community Fund, including Berkeley Food and Housing and the Women's Daytime Drop-in Center. The event

included 23 businesses and restaurants who offered tastes of their cuisine and local product tasting. The annual Chocolate and Chalk Art Festival was held on Saturday June 1st, with chocolate sampling and specialty products in area businesses, a sidewalk chalk art contest, a festival area with crafts, chocolate and chocolate related vendors, music, circus arts performers, and face painting, and other kid's activities.

In March, a new hybrid service with Block by Block, Inc. was initiated for Host Ambassadors to provide cleaning, outreach and hospitality services in the district. This service includes merchant support, referrals to social services, reporting on blight conditions and safety hazards to the City, and reminders to existing laws and ordinances governing public space and street behavior regarding smoking, noise, open containers, trespassing, and soliciting.

Fiscal Year 2014 Summary

Budget

The budget for Fiscal Year 2014 included an actual carry forward of \$40,483 from 2013 and new revenue of \$168,000. The following table shows the 2014 Budget Allocations by category and percentages as well as the estimated expenditures to June 30, 2014.

	Allowable	Carry	Fiscal Year	2014 Budget	Fiscal Year
NORTH SHATTUCK	% of	Forward	2014	with Carry	2014
ASSOCIATION	Annual	to Fiscal	Assessment	Forward &	Expenditures
Service/Expense Category	Budget	Year 2014	Revenue	New Revenue	(Estimated to
		(Actual)			6/30/14)
Maintenance/Beautification	40%	\$15,140	\$67.200	\$82,340	\$80,756
Marketing/Promotion	25%	\$4,388	\$42,000	\$46,388	\$46,233
Organization/Administration	30%	\$5,986	\$50,400	\$56,386	\$56,112
Contingency	5%	\$14,968	\$8,400	\$23,368	\$21,245
Total Budget	100%	\$40,483	\$168,000	\$208,483	\$204,346

Accomplishments

During Fiscal Year 2014, the North Shattuck Association has continued implementation of the activities and services outlined in the Management District Plan under a renewed annual contract between the City of Berkeley and the Association. Activities of the district are organized around Organization/Administration, Marketing and Promotion, Beautification and Design, and Economic Development. Accomplishments in each area are summarized below.

Organization/Administration

- The Association maintained a district office to facilitate ongoing communications with businesses and provide on-site supervision of contractors and district operations.
- Meetings of the Board of Directors and General Association meetings with merchants, property

- owners, and community members were held regularly during the year to further the goals and objectives of the Association as set forth in the District Management Plan.
- The Executive Director was active on the Buy Local Berkeley Executive Committee and the Association continued its involvement with the Berkeley Business District Network (BBDN), the Berkeley Chamber of Commerce, Visit Berkeley, the Berkeley Cultural Trust, and the California Downtown Association.
- The Executive Director met with and made presentations to various City Departments, Commissions, and community groups about public improvement projects in the district.
- The Association took a lead role in advocating for the City's Parklets Pilot Program, designing an online survey for community input, meeting with City Departments to discuss program elements and requirements, and supporting and providing input at the Commission and Council level.
- Convened meeting of merchants, property owners, BPD, and homeless service providers to deal with trespassing and illegal dumping issues on private property and sleeping during the day in the public right of way.
- The Association again sponsored an art-making station at the corner of Vine and Shattuck for the "Take 5: Art Break Day", a community art project held on September 6th, 2013 in five cities in the Bay Area.
- Provided support to the Berkeley Public Schools Cooking and Gardening Program by promoting their Berkeley Dine Out event and coordinating a Fall 2013 Taste of North Berkeley restaurant event to raise funds and awareness for the program.
- This year, the Association made donations to the Youth Emergency Assistance Hostel from the Valentines Wine Walk event proceeds, and attended the Berkeley Public Education Foundation fundraiser luncheon.

Maintenance and Beautification

- The Association provided funding and oversight for a regular maintenance program for sidewalks, public spaces, and public property including sidewalk and gutter sweeping, weeding of tree wells and planters, and graffiti and poster removal. The contract continued with the Host Ambassadors provide cleaning, outreach and hospitality services.
- The Executive Director attended quarterly meetings with the City Manager and regularly coordinated with City of Berkeley staff to address maintenance issues including street tree replacements, graffiti abatement, sidewalk steam cleaning, newspaper rack replacements and removals, trash receptacle maintenance and street repair projects.
- Continued to assist owners and neighbors with vacant property and lot maintenance in the area trespassing issues and illegal dumping. Coordinated sidewalk seating permit and planter placement for the Virginia Bakery at the newly constructed bulb-out area in front of their shop.
- The Association continued to maintain over 150 landscaped ceramic planters at sites throughout the District, including along the CVS wall frontage.
- Decorative banners and street tree lighting was installed for the entire length of the district for the winter holiday season, as well as lighting in median tree locations with electricity access.
- Coordinated with the City and nearby businesses on construction issues during improvements to the Virginia street crossing at Shattuck under the "Safe Routes to Schools" program completed in

November 2013.

- The Association assisted with the placement of a demonstration parklet constructed by a local designer in the parking bay in front of Philz Coffee Park-ing Day in September 2013.
- Worked with businesses and local designers to refine conceptual plans for several parklet projects to provide additional public seating and bicycle facilities for the district, based on the approved Parklets Pilot Program. Provided seed finding to the Cheese Board for engineering review of their design, and worked with Philz Coffee/Guerilla Café on revising their design and initiating a crowd-funding program to raise funds for construction..
- Worked with the Street Alive program to install a BID sponsored artist-designed "wrap" for the utility box at Vine and Shattuck in March 2014 through their "60 Boxes" project.

Marketing and Promotion

- The Association again partnered with Livable Berkeley and the Downtown Berkeley Association to produce the Sunday Streets Berkeley in October 2013, which drew over 30,000 people to Shattuck Ave. in the district and downtown. The event closed Shattuck from Rose to Haste Street with health and environmental activities by local organizations and businesses, and community group and non-profit information booths. District businesses participated with outdoor yoga classes, special art exhibits and activities, sidewalk sales, etc. and restaurants brought seating into the streets. The Association produced a companion event was held on Vine Street, which was closed from Shattuck to Walnut St. to create a picnic area and beer/wine garden hosted by the Vintage Berkeley wine shop and artisan crafts fair.
- The annual Dia de los Muertos festival and candlelight procession was held on in October.
- Winter Holiday 2013 promotional activities included installation of holiday lighting in the street trees, holiday banners, and musical performances throughout the district on Saturdays and Sundays in December. "Snow Day in Berkeley" was held on Sunday, December 2, with activities including visits with the Snow Queen, a mound of snow for play, arts and crafts activities, and several vendors. Holiday promotions include posters, postcards, ads in the Express and Chronicle newspapers, and online promotion through e-blasts and Facebook.
- The district participated in the Buy Local Berkeley Holiday Campaign which featured a free holiday mobile phone coupon application developed with Chinook Book offering discounts at independent businesses. The application was marketed to their 15,000 mobile app users and to the ads, posters, and banners promoting the mobile app and encouraging the public to shop at locally owned small businesses for the holidays.
- A new retail marketing event was initiated for the district in February called the Valentine's Wine Walk, which paired local wineries with shops and galleries for an evening of shopping and wine tasting. Over 20 businesses participated in the event, which was a fundraiser for the Youth Emergency Hostel.
- With the Berkeley Lion's Club, the Association again produced the 5th annual Spring 2014 "Taste of North Berkeley" on the evening of May 6th. The event included over 20 businesses and restaurants who offered tastes of their cuisine and local product tasting. The event drew over 400 attendees, with all proceeds benefitting local charities through the Lions Community Fund, including Berkeley Food and Housing and the Women's Daytime Drop-in Center.
- The annual Chocolate and Chalk Art Festival was held on Saturday May 31st, with chocolate

- sampling and specialty products in area businesses, and a sidewalk chalk art contest. The festival area included the access road area north of Vine St. with crafts, chocolate and chocolate related vendors, music, circus arts performers, and face painting, and other kid's activities.
- The Association continued to produce a monthly Arts and Events e-newsletter and did regular Facebook posts featuring our local galleries' collaborative monthly "Second Fridays" exhibition openings and artist receptions, information about business openings/events, and special events in the district and at nearby venues, including the Jewish Community Center, Berkeley Art Center, and the Hillside Club.
- Exhibited throughout the year at events including the North Berkeley Farmers Market, the annual Solano Stroll and the two-day Live Oak Park Fair to promote the district's businesses, events, and website with marketing materials, raffles, and product giveaways.
- Updated the district website regularly with new business information and links to events, classes, and gallery openings in the district. Utilized the specialized format that allows for automatic posting of events and business news to our site, Facebook page, and Twitter, and held Social Media workshops for district businesses to teach them how to integrate the site tools into their marketing plans.
- The Association produced press releases, placed ads in the Visit Berkeley and Chamber of Commerce guides, Eco-Metro Guide, and numerous local papers highlighting events, and provided information for editorial pieces on the district. A partnership with East Bay Express newspaper was initiated to produce a Shopping and Dining Guide with ads from local businesses, a directory, and editorial content. The guide will be distributed to local hotels, UC Berkeley Faculty, to Culinary Tour attendees, and in district businesses.

Economic Development

- The Association continued to maintain an inventory of all businesses and vacant retail and office space in the district, including square footage, lease rates, and broker contact information. The director provided information and conducted site visits of the district and vacant properties for prospective new businesses.
- Provided information and assistance to new and existing businesses in the district, including
 marketing, lobbying on behalf of use permits, sidewalk encroachment permits, and other needed
 planning and zoning clearances.
- The Association provided BID funding and coordinated the reconfiguration of parking from parallel to angled in the area near Rose St. resulting in the creation of 10 new spaces including a new handicapped space with adjacent sidewalk ramp.
- Organized two training sessions for merchants on utilizing the new website platform for social media, and hosted presentations by organizations for loyalty programs and other business products.
- The Executive Director continued to work with the Berkeley Business District Network (BBDN) on various issues related to economic development in the district and was active on the Buy Local Berkeley Executive Committee helping to direct the holiday and social marketing campaigns, negotiate membership benefits with local media, and conduct the hiring process for a new program coordinator.
- The district provided market and support to new businesses opening in the area this year

including Claddagh Yarns, Source Mini in Epicurious Garden, and The Shop, a Barber Shop, which took over the space vacated by Kid Dynamo, who relocated to a vacant space on Vine St.

Fiscal Year 2015

Work Plan

The North Shattuck Association will continue implementation of the activities initiated in previous fiscal years as outlined in the Management District Plan. Funds not expended in previous years will again be carried forward in addition to estimated Fiscal Year 2015 revenues. The work of the Association will continue to be guided by the Board of Directors and its committees. The goals and objectives for Fiscal Year 2015 are organized as follows:

Organization/Administration

Goals: General oversight and direction of district activities; development of relations and coordination with outside groups and agencies, coordination of projects and programs, management of sponsorships and volunteers.

Objectives:

- 1) Oversee development of annual District work plan and detailed budgets, financial records and annual tax returns.
- 2) Conduct property owner outreach, property owner and business input to the Management Plan and various programs and activities.
- 3) Attend needed City of Berkeley Council and Commission meetings and prepare all required reports related to the annual City of Berkeley contract with the Association.
- 4) Prepare correspondence, letters of support, and grant applications with the City of Berkeley and other agencies, present testimony at meetings as needed.
- 5) Coordinate Board elections in July-August 2015 including nominations and property owner balloting.
- 6) Liaison with property owners, merchants, City of Berkeley, Chamber of Commerce, Visit Berkeley, Buy Local Berkeley, the Berkeley Business District Network, Berkeley Cultural Trust, Event Producers Group, the Restaurant Action Group, local schools, and neighborhood groups.
- 7) Develop and distribute quarterly e-mail newsletter to merchants and neighborhood groups with service accomplishments, event information, issue updates, and new business contacts. Continue to connect with outside groups and promote activities through various social media.
- 8) Continue to review and evaluate proposed City policy changes, public improvement projects, planning changes and zoning amendments relevant to the commercial district. Coordinate with district businesses and property owners to develop appropriate responses and present to City Council and Commissions.
- 9) Investigate grant funding opportunities and provide coordination between area businesses and property owners, City Departments, and outside agencies towards implementation of district initiated projects and programs towards pedestrian safety.
- 10) Coordinate participants, volunteers and business sponsors for community events, activities, and fundraisers including "Paving the Way" and the "Take an Art Break" event, improvement activities at the Arts Magnet Elementary, and other special events by local schools and organizations.

11) Work with the Berkeley Public Education Foundation, local schools, the Berkeley Business District Network, and Buy Local Berkeley to strategize on additional fundraising events to provide funding for school garden programs.

Marketing and Promotion

Goals: Create a unified, quality image for the district and implement promotion strategies that capitalize on the unique aspects of the area, including advertising, social media, brochures, special events, holiday promotions, etc.

Objectives:

- 1) Oversee implementation of the marketing and promotions strategy including designer/consultant selections, design processes, budgeting, and advertising placements.
- 2) Manage and promote the special events calendar and institute new events to further the image and various market segments of the district, including apparel, culinary, healthy living, and the arts.
- 3) Integrate existing businesses into special events and marketing campaigns through various means, including sponsorship, participation, promotional tie-ins, etc.
- 4) Coordinate public relations for the district and special events as needed. Generate press releases and promote editorial pieces on commercial and retail developments in the area.
- 5) Market the district to hospitality industry and regional/national/international audiences working with Visit Berkeley through editorial placements, the shopping/dining guide, and promotion of special events and the weekly Farmers' Market and Culinary Tour.
- 6) Continue regular updates of the district website with business information and upcoming classes, special events, etc., produce a monthly Constant Contact e-newsletter, and maintain regular Facebook and other social media entries promoting business activities and press coverage.
- 7) Continue to coordinate and promote "Second Fridays" activities with local galleries and restaurants, and work towards the expansion of the event to retailers in the district.
- 8) Work with Downtown Berkeley Association and Livable Berkley to produce a Sunday Streets event in October 2014. Manage merchant activities, promotion, and sponsorships.
- 9) Analyze budget, programming, and sponsorship opportunities for the Dia de los Muertos and Halloween events to determine benefits, and proceed if possible.
- 10) Organize promotional events at the winter holidays including musical performances and events including the "Snow Day in Berkeley" and other neighborhood celebrations.
- 11) Work with the Lion's Club to produce the "Taste of North Berkeley" restaurant walk in spring 2015 to benefit local charities and highlight neighborhood restaurants.
- 12) Coordinate the annual Chocolate and Chalk Art Festival in early summer in conjunction with local arts groups and restaurants and seek additional arts grant funding and sponsorships for the event.
- 13) Continue to work with the Buy Local Berkeley program on its marketing program and membership benefits package for the district's independent businesses.
- 14) Organize Association booths/tables at the weekly Farmers' Market and other fairs and festivals such as the Solano Stroll and Live Oak Park Fair to promote the district.
- 15) Promote events at nearby venues such as Live Oak Park, the Jewish Community Center, Berkeley Arts Center, and the Hillside Club. Work with producers to tie in district businesses through

advertising and promotions.

Beautification and Design

Goals: Address issues related to cleaning and maintenance of the district; design and implement landscaping and other streetscape improvements; provide design input on development projects. *Objectives*:

- 1) Provide ongoing maintenance monitoring, needs assessment, and coordination with appropriate city departments and contractors on projects including bicycle racks/facilities placement, pedestal and freestanding newspaper racks maintenance/removal, street tree replacements and median landscaping as needed.
- 2) Oversee the services of the Host Ambassadors in completing regular cleaning, special projects, and management of public spaces.
- 3) Work with property owners and appropriate city departments to address signage conditions and the appearance of empty storefronts and vacant properties in the district.
- 4) Work with the Street Alive program to complete additional BID sponsored artist-designed "wrap" for the utility box at Vine and Shattuck through their "60 Boxes" project.
- 5) Oversee installation of annual winter holiday street tree lighting throughout the district.
- 6) Work with the City of Berkeley to investigate options to allow for market expansion/reconfiguration and increase in pedestrian safety at the weekly Farmers Market.
- 7) Work with appropriate City departments, business and property owners, contractors, and volunteers to design and construct "parklets" with public seating and bike racks at proposed locations in the district through the City's Parklets Program.
- 8) Oversee the design and installation of new decorative lightpole banners including special event/holiday banners and general banners reflecting the unique aspects of the district.
- 9) Investigate options for and oversee purchase/installation of information kiosks and dedicated poles for one or more cross–street banners in the district.
- 10) Work with ACCI Gallery, artists, and local schools on projects in the district including rotating and storefront exhibits, art projects, temporary mural projects, etc.

Economic Development

Goals: Business retention and recruitment; business education; address issues related to security, parking, and transportation improvements. *Objectives*:

- 1) Maintain lease information for vacant retail and office space in the District, zoning regulations/amendments, available use permits, and status of the retail and food use quotas in the northern part of the district.
- 2) Liaison with City and commercial brokers to attract and assist new businesses.
- 3) Serve on the Chamber of Commerce's Governmental Affairs and Board of Directors (ex-officio) to provide input on business district issues.
- 4) Identify and address security and safety issues working with the Berkeley Police Department. Organize meetings of district businesses with patrol officers including walk-throughs and at general meetings, etc.
- 5) Continue to work on parking issues in the district including meter timing, improved usage of

- existing private parking resources, and identification of spaces in private lots for paid employee parking.
- 6) Continue to coordinate meetings with the Board of Directors, and AC Transit and City of Berkeley staff to investigate options and funding opportunities for potential improvements to parking, bike facilities, pedestrian crossings and bus stops in the area.
- 7) Work with the City and Ecology Center on issues related to the Farmers Market operations and expansion.
- 8) Identify opportunities for better utilization of public transportation resources in the district and financing and operation options for alternative transportation including shuttles.
- 9) Continue to work with the Berkeley Restaurant Action Group on issues related to alcohol service controls, minimum wage, and other issues.
- 10) Identify and act on any business education/assistance needs for business retention.

Budget

BID collections for Fiscal Year 2015 are recommended to be on the same basis and on the same properties as in Fiscal Year 2014. An estimated \$168,000 of additional assessment revenue is estimated be available in Fiscal Year 2015, plus carryforwards from Fiscal Year 2014 of \$4,137 and other previous fiscal years of \$40,195, for a total estimated budget of \$212,333.. BID assessment revenues will be spent in accordance with the Management District Plan as follows:

NORTH SHATTUCK	Projected	Fiscal Year	Allowable	Estimated
ASSOCIATION	Fiscal Year	2015	% of Annual	Total Fiscal
Service/Expense Category	2014 Carry	Projected	Budget	Year 2015
	Forward	Revenues		Budget
Maintenance and	\$1,584	\$83,278	40%	\$84,862
Beautification				
Marketing and Promotion	\$155	\$52,049	25%	\$52,209
Organization/Administration	\$274	62,459	30%	\$62,733
Contingency	\$2,123	\$ 10,410	5%	\$12,533
Total Estimated Budget	\$4,137	\$208,195	100%	\$212,333

The above budget is based upon the maximum amount of BID assessment revenues that could be collected in the District. Actual BID revenues may be lower if some assessments are not paid within the Fiscal Year. No changes are proposed in the boundaries of the district or the method and basis for levying the BID assessments. A listing of Fiscal Year 2015 assessments is attached as Exhibit A to this report. The formula for property assessment is attached as Exhibit B to this report.

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April 3, 2014

Approved by:

Cathy Goldsmith, President, North Shattuck Association April 3, 2014

Prepared by: Heather E. Hensley, Executive Director, North Shattuck Association