



Office of the City Manager

CONSENT CALENDAR
December 18, 2007

To: Honorable Mayor and Members of the City Council
From: *PK* Phil Kamlarz, City Manager
Submitted by: Michael Caplan, Manager of Economic Development
Subject: Contract: Implement the Management District Plan for North Shattuck Business Improvement District

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute a sole source contract and any amendments with the North Shattuck Association to implement the Management District Plan and approved Work Plan for the North Shattuck Business Improvement District (BID) in an amount not to exceed \$170,238 for FY 2008.

FISCAL IMPACTS OF RECOMMENDATION

The FY 2008 Adopted Budget contains revenues and expenditures of \$160,000 for the North Shattuck BID. The North Shattuck BID has a fund balance as of June 30, 2007 of \$170,238. Based on available fund balance, additional funds of \$10,238 are being added to the FY 2008 contract, increasing to a total amount of \$170,238.

The contract with the North Shattuck Business Improvement District has been entered into the City's contract management system and assigned CMS No. EINDZ.

The BID constitutes an independent funding source that must be used for organizational, maintenance, promotional and other revitalization efforts for the North Shattuck Business Improvement District. To the extent that the work of the North Shattuck BID enhances the development of the North Shattuck business district and its business climate, the BID contributes towards enhanced City revenues through increased sales and property taxes.

CURRENT SITUATION AND ITS EFFECTS

On July 17, 2007, Council adopted resolution No. 63,696-N.S. confirming the Annual Report of the North Shattuck Business Improvement District for FY 2007 and levying assessments in the District for FY 2008.

BACKGROUND

On July 10, 2001, the Berkeley City Council established the North Shattuck Business Improvement District (NSBID) for a ten-year period. The NSBID finances special improvement, maintenance and marketing activities that benefit commercial properties and businesses in the North Shattuck District. The North Shattuck Association was then formed to administer the BID under a contract with the City.

The Annual Report confirmed by Council on July 17, 2007 includes a work plan and budget for the activities to be carried out by the North Shattuck Association in implementing their District Management Plan. In FY 2008, the NSA will continue its ongoing services including maintenance, marketing and promotional activities. The Spice of Life Festival was planned and successfully executed and winter holiday events are to be held. The North Shattuck Farmers market will be held throughout the year in its new location at Rose and Shattuck. This year promotion of North Berkeley's arts and culture resources are highlighted linked to the ACCI Gallery's 50 year anniversary celebration. The Association will work to address an other issues of concern to businesses and property owners in the neighborhood and liaison with City staff, the Berkeley Business District Network and other organizations that can further the interests of their assessees. More information on the activities of the Association may be found at the Association's website at www.northshattuck.org.

RATIONALE FOR RECOMMENDATION

The BID assessments are a special revenue source that must be dedicated to marketing promotion, maintenance, beautification and other activities outlined in the Management District Plan. The North Shattuck Association was formed specifically to implement the North Shattuck BID work plan. A contract between the City and the Association is required to direct BID revenues and other City funding to the Association.

ALTERNATIVE ACTIONS CONSIDERED

The North Shattuck Association is the only private organization established to administer the North Shattuck BID. There are no alternatives for contracting for implementation of BID activities.

CONTACT PERSON

Michael Caplan, Manager of Economic Development, 981-7530

Attachments:

1: Resolution

RESOLUTION NO. - N.S.

AUTHORIZING CONTRACT TO IMPLEMENT MANAGEMENT DISTRICT PLAN AND
WORK PLAN FOR NORTH SHATTUCK BUSINESS IMPROVEMENT DISTRICT

WHEREAS, on July 10, 2001, Council adopted Resolution No. 61,168-N.S. establishing the North Shattuck Business Improvement District (BID); and

WHEREAS, on July 17, 2007, Council adopted resolution No. 63,696-N.S. confirming the Annual Report of the North Shattuck BID for Fiscal Year 2007 and levying assessments in the District for Fiscal Year 2008; and

WHEREAS, the FY 2007 BID Annual Report for the North Shattuck BID includes a work plan and budget for the activities underway in the current year; and

WHEREAS, the North Shattuck Association has been incorporated for the purpose of implementing the Management District Plan and Work Plan for the North Shattuck BID; and

WHEREAS, net revenues from assessments on properties in the North Shattuck BID was initially estimated at \$166,749 for FY 2007; and

WHEREAS, there is a small amount of additional monies collected and carried over from the prior FY 2006.

NOW THEREFORE, BE IT RESOLVED, by the Council of the City of Berkeley that the City Manager is hereby authorized to execute a sole source contract and any amendments with the North Shattuck Association in the amount of \$170,238 of currently available North Shattuck BID funds to implement the adopted Management District Plan and Work Plan for the North Shattuck Business Improvement District. A record signature copy of said contract and any amendments are to be on file in the Office of the City Clerk.

