



**CITY OF NOVATO**  
CALIFORNIA

October 9, 2020

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Novato, CA 94945  
415/899-8900  
FAX 415/899-8213  
*novato.org*

Mayor  
Denise Athas  
Mayor Pro Tem  
Pat Eklund  
Councilmembers  
Eric Lucan  
Amy Peele  
Susan Wernick

City Manager  
Adam McGill

Dear Downtown Business Owners:

The City of Novato is proud to continue its investment in the Downtown Business Improvement District (DBID) in partnership with the Downtown Novato Business Association (DNBA).

As you'll recall, the Novato City Council voted in 2017 for the City to match the BID \$1 for \$1 as a way of solidifying our shared goal of creating a vibrant Downtown. 2020, while unexpected, brought us many opportunities to serve this district and work in concert with the DNBA and we are delighted to continue to work with you to promote and support our Downtown.

Now is the time of year when the DNBA, acting as the DBID Advisory Board, prepares an annual report for the past year and a budget for the upcoming calendar year. As a member of the DBID, the City is providing the attached packet that provides you with a copy of the 2020 Annual Report, the 2021 Budget, the 2020 BID Report and an outline of the annual assessment process.

On Tuesday, October 13th, the City Council will initiate the annual BID assessment process. At the following Council meeting on Tuesday, October 27, 2020, there will be public hearing held via Zoom which will begin promptly at 6pm. The agenda with the meeting details can be found at [novato.org/agendas](http://novato.org/agendas). The City Council will hear comments during the public hearing and then take action regarding the annual BID assessments for 2021 per the prepared budget.

Your 2021 BID assessment, which is included with your business license renewal, will be mailed in December. If your business information has changed during 2020, please work with our business license administrator, HdL, to update your information: visit [www.novato.org/BL](http://www.novato.org/BL), call 415-899-8917 or email [bl@novato.org](mailto:bl@novato.org).

For more information regarding the DNBA, visit them online at [downtownnovato.com](http://downtownnovato.com). For questions regarding the annual BID assessment, please contact me at 415-899-8903, via email at [jdeakyne@novato.org](mailto:jdeakyne@novato.org) or visit [www.novato.org/dbid](http://www.novato.org/dbid).

Sincerely,

Jessica Deakyne, Assistant City Manager

# 2020 ANNUAL REPORT

## THE DOWNTOWN NOVATO BUSINESS ASSOCIATION A YEAR OF COMMUNITY RESOURCEFULNESS + AGILITY



### #SupportLocal ❤️

**STEPHANIE KOEHLER**  
EXECUTIVE DIRECTOR

In the early days of the Shelter In Place Order, as the “fear of the unknown” set in, there were constant signs of support from all over the community. One morning our businesses woke up to a “love bombing” throughout Downtown. Soon the #SupportLocal heart found its way into spring and summer fashion. These signs have endured in many parts of Novato, reminding us of what an amazing community we have. Centric Signs made window decals for any business who wanted a more permanent show of support. We even saw them appear in home windows around town. The love even grew to Larkspur who followed up with a campaign of their own.



**Alice Becker, Inc made t-shirts so people could wear the love.**



**With a portion of Grant Ave designated “pedestrian only” on the weekends, the Novato Community came out to support Downtown businesses.** Photo by Sylvia Barry

## “Open Air” Took On An All New Meaning

**PETER SERCHIA**  
DNBA BOARD PRESIDENT

When I took on the role of President in 2019, we were on an exciting path with a series of signature events like Rock the Block, Bouncy Ball New Year, a revitalized Nostalgia Days Car Show & Cruise as well as wonderful family events like the Annual Holiday Tree Lighting and Safe Trick or Treat. Downtown Novato had a new energy and people had taken notice. But as they say... we made plans and 2020 laughed.

When COVID-19 reared its head in our nation, we saw an unprecedented move to suppress the virus by shutting down nearly all business and asking citizens to shelter in place. The impact on our Downtown businesses was both frightening and devastating. But what we have seen over the past 6 months was inspiring. We’ve seen business owners shift their focus to fit our new reality, and most of all, we saw them come together to help each other so we’d all survive.

The DNBA has worked hard to help create a city center where people are excited to work, play and visit while bringing value to each business in the Business Improvement District (BID). The year 2020 also gave us a chance to see the bond we have created as a community. While we continued focusing funds on making Downtown a vibrant place to be by improving streetscapes and designing ad campaigns to let people know we are “open for business” -- the greatest investment was our Executive Director, Stephanie Koehler, who spent tireless hours helping each business owner work through challenges, pivot their business

model and rework their messaging -- all while keeping their spirits intact. She jumped into action immediately – working with the City to close part of Grant Avenue on weekends allowing retail and restaurants to expand their footprint when indoor service was not an option. She also worked closely with the City to create a Small Business Relief Fund, offering up to \$5,000 grants to businesses throughout Novato.

In addition, Stephanie serves on the Marin Recovers Committee where she has engaged in two-way communications with businesses, local and regional stakeholders, County Supervisors, County staff and City of Novato staff to advocate on behalf of the economic needs of the business community. This has served as an invaluable resource to all of us.

We know this year has not looked like what we had hoped, but we are proud of what we have accomplished. As a DNBA/BID member, please watch our website, social media, email blasts and mailers so you can take advantage of the opportunities that will support your business efforts. We encourage you to attend our DNBA membership meeting (happening via Zoom at this time) which is held the first Wednesday of each month. It’s an opportunity to meet your fellow business owners and have a voice in what is happening in your Downtown.

*Peter Serchia is the owner of All Season Soccer*

### HOW WE TOOK ON 2020

**THE OPEN AIR  
STREET CLOSURE**

**RETHINKING OUR  
TRADITIONS**

**SMALL BUSINESS  
RELIEF FUND**

## DOWNTOWN NOVATO

# Open Air Street Closure *Grant Avenue*

### RESPONDING TO CIRCUMSTANCES

The DNBA partnered with the City to temporarily close Grant Avenue to create pedestrian-only access from Reichert to Machin Avenues every weekend starting in June. This move was intended to support our Downtown businesses by allowing them to expand beyond sidewalks and into the street while adhering to Marin County Health Orders -- allowing for better social distancing to make outdoor dining and retail safer and easier for our businesses and Novato citizens.

For some time, the community has been interested in closed street programs for Grant Avenue so this also served as an opportunity to both respond to their request and support our businesses. Novato was proud to be the first community in Marin County to pilot a full street closure program. It was so exciting to welcome shoppers and diners back to Downtown and offer them a comfortable place to safely interact.

The program was met with overwhelming success.

*"The street closure has helped immensely. Thank you for everything you are doing to help during this time". ~ Carol, Owner of Jolt Gifts*

*"I fully support the continued temporary closure of Grant which brings people out, allows for healthy distancing, and certainly provides for a renewed sense of community - something sorely needed during these unprecedented times". ~ David Opegard, Novato*

*"Having the option to eat outside in our downtown area has been a life saver. Being outside amongst other humans, eating and drinking, and enjoying a sliver of normalcy has been food for the soul. Additionally, it's heartwarming to see businesses being able to operate instead of going out of business!" ~ Myriam Martinez, Novato*

The City of Novato was instrumental in making this process easy for Downtown businesses by offering a no cost, brief encroachment permit application to ensure all liability issues were addressed.

## DOWNTOWN NOVATO

# Farmer's Market

### FRESH. LOCAL. FUN.

As a DNBA sponsored event, we are always looking for ways to expand on the success of the Farmer's Market to increase the traffic to Downtown Novato during the summer season. This year was the market's third year in their new location on 7th Street behind CVS – a move that has proven to be very well received. We are especially grateful to Kelly Smith, the Market Manager, for all the important changes she made to meet the COVID-19 regulations so we could continue to offer this important service to the community. By adding curbside pick-up, she allowed even those in vulnerable populations to enjoy the bounty of our region. We continue to promote the Tuesday market and find ways to increase regional appeal – drawing people from outlying communities.

*Every Tuesday | May-September | 4-8pm  
Special Extension through October in 2020*



Children enjoy the magic of bubbles on the open air street. Photo by Sylvia Barry



Restaurants offer diners a safe place to get out and enjoy a meal.



## THE HOLIDAYS

# Annual Tree Lighting

### RETHINKING OUR TRADITIONS

As with most things in 2020, we realize the Annual Tree Lighting event will need to be adjusted to meet the current SIP Orders. The committee has been meeting since late summer, working out the details of how to keep the tradition alive while keeping the community safe. And we have a plan!

The Tree Lighting will be held the first Saturday of December as always – which falls on the 5th this year. However, this year we will be offering the experience virtually – with a few fun twists.

Our friends at Novato Community TV have generously offered to bring the experience to everyone's home television. All your favorite acts and performances (along with a few exciting new ones) will be recorded in advance and streamed during a 2-hour program that evening. When it's time to "flip the switch" we will cut to a live shot of a few (properly masked) Novato dignitaries who will light the tree and kick off the season.

We know how important the craft and treat activities are for everyone – so we are working with community groups to make "kits" that can be delivered or picked up in advance. Families can have fun at home decorating cookies and making crafts. We're also working with local restaurants, wineries and breweries to offer take-out and delivery specials to make the evening festive.

Last but not least, we know how much the little ones look forward to seeing Santa and his elves walking the streets of Downtown that evening. So, we have partnered with local vintage car enthusiasts, area businesses with fun vehicles, the Novato Police Department and Novato Fire District to develop a route where a "squad" of Santas will be driving around the city waving at kids in their driveway.

We are excited to keep this tradition alive...even if it's a little "reimagined"!

## THE HOLIDAYS

# Community Holiday Trees

### BE A PART OF THE TRADITION

This will be our fourth year placing 50 holiday trees with lights along Grant Avenue for members of the Novato community to decorate. We expect 2020 will be magical as so many people look for ways to find joy in this difficult year. We've had schools, military groups, churches, families and businesses pour all the love of the season into these little trees! Last year we got hundreds of posts, comments and shares on social media letting us know how much everyone loved the feel of driving through Downtown Novato all winter. We look forward to the joy it will bring so please watch for them after Thanksgiving. Gather up your decorations, find an undecorated tree and have fun!

## DOWNTOWN NOVATO

### 15 Minute Parking Spaces

#### RESPONDING TO CHANGING NEEDS

In March, when restaurants and retail shops were forced to move into a “pick-up & delivery only” mode of operating, the DNBA immediately partnered with the City of Novato to create a series of 33 Carry Out Spaces throughout Downtown. These 15-minute parking spots allowed for customers to easily get their to-go item with minimal contact. In addition, many businesses worked out a system to bring their order to the car – allowing for a completely touchless exchange.

The program has been very successful – with lots of positive feedback from both businesses and citizens alike.



#### WHO WE ARE

### Downtown Novato Business Association Business Improvement District

#### EAT. DRINK. SHOP. ENJOY.

The Downtown Novato Business Association (DNBA) is a volunteer based, non profit organization dedicated to creating a more beautiful, vibrant and economically thriving Downtown aimed at delivering direct value to every one of our members.

The DNBA Board also serves as the BID Advisory Board to the City of Novato. The BID (Business Improvement District) is a revitalization tool for commercial neighborhoods such as shopping areas and downtown business districts. BIDs are public/private sector partnerships that perform a variety of services to improve the image of their cities and promote individual business districts.

#### DNBA BOARD OF DIRECTORS

- Peter Serchia, President & Treasurer, *All Season Soccer*
- Steve Jordan, VP. Secretary & BID Advisory Board Chair, *Creekside Bakery*
- Jon Ballack, *Orange Theory Fitness*
- Katie Chase, *State Farm Insurance*
- Vincent Cheung, *Angie's Steam Foot Spa*

- Mike Kuimelis, *Mantra Wines*
- Kevin Mahoney, *TeenyCake*
- Andy Podshadley, *Trek Winery*
- Paul Price, *Novato Kitchen & Bath*
- Emily Rich, *Village Child*
- Rob Sundberg, *Avenue Salon*

#### MEMBERSHIP MEETINGS

Board and Membership Meetings are held the first Wednesday of every month at 7pm. Currently held via Zoom. Watch your mail and email for notices. Info@DowntownNovato.com

## WORKING TOGETHER

### Beautification Partnership With The City of Novato

#### Revitalizing Our Streets

In 2019, the DNBA put out a question to their members asking to submit a list of projects they would like to see happen to improve or beautify Downtown. Once we compiled the list, we asked them to vote on their priorities. We are excited to announce some of those projects are under way!

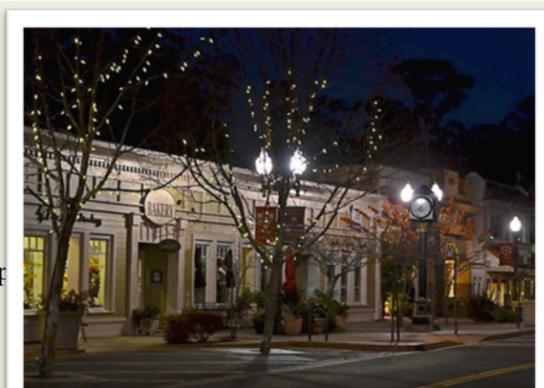
Since many of our items are supported by the City's Public Works Department, we worked with them to align their Capital Improvement Projects with some of the items on our wish list. Once we budgeted out the projects, we came to a partnership where we will share the costs with the City. A win-win!

In the coming year you can expect to see some pretty exciting updates in your Downtown. We will be upgrading the white “twinkle lights” in the trees that line Grant Avenue to efficient LED lights; some of the unkempt bus stop enclosures will be removed; new, clean trash cans will be installed on the streets; some of the topsy turvy grates around the trees will be fixed; and perhaps we will even see hanging baskets on the lamp posts next spring!

We love our Downtown and work hard to make it a beautiful and fun destination for locals and tourists alike!

#### Fresh Off The Press:

On September 22, City Council approved the Downtown Business/Property Improvement Program (IP) which is designed to support private investment in our retail and restaurant properties. The IP is an incentive program that offers property and business owners matching grant reimbursements for improvements to the façades, access, interiors and infrastructure of commercial buildings in Downtown Novato. The grant application process is being finalized now so watch for an email from the DNBA with the details of how to apply!



## COMING TOGETHER

# Small Business Relief Fund

### KEEPING SMALL BUSINESS ALIVE

On May 1, the City of Novato launched the Novato Small Business Relief Fund designed to help retain local jobs, keep storefronts tenanted and support the local economy in light of the COVID-19 pandemic and subsequent shelter in place orders. The program offered eligible small businesses the opportunity to apply for grants in amounts up to \$5,000.

A total of \$380,000 in contributions from local businesses and residents wanting to support our small business community was distributed to grant recipients, including \$50,000 contributions from the City of Novato and County of Marin respectively. Take-Two, parent company for international videogame publisher 2K located in Novato, was the founding sponsor of the fund with a \$200,000 donation.

The City received a total of 107 applications and the Small Business Relief Fund Selection Committee approved 76 businesses to receive grant funds –

including many in Downtown Novato. All applications received were carefully reviewed for completeness, eligibility and demonstrated economic need.

The Novato Small Business Relief Fund, approved by the City Council, was developed and launched in late April in partnership with the City of Novato, Downtown Novato Business Association, Novato Chamber of Commerce, County of Marin, MarinLink and Bank of Marin to help small business owners impacted by COVID-19 stay afloat during this unprecedented time.

*"This has been a difficult time for any small business owner, and this generous grant is much needed relief to keep our bakery advancing through future uncertainties. The generosity of our community has been incredible, and we are hopeful that the contributions to our local businesses will help them thrive as we reopen." ~ Michelle Mahoney, owner of Teeny Cake and Novato Small Business Relief Fund Grant recipient.*

## OUR HEARTS ARE FULL



# THANK YOU DONORS!

For generously giving to the Novato Small Business Relief Fund that raised \$380,000 resulting in 76 grants to small businesses throughout the city.

	\$200K	
	\$50K	
	\$20K-\$25K	
	\$10K	
	\$5K	
	\$2K-2.5K	
	\$1K-\$1.5K	

### INDIVIDUAL CONTRIBUTORS:

Patricia & Thomas Adams, Mary Ann Alessi, Susan August, Lindsey Avery, Elizabeth Ann Barnes, Katherine Barresi, Maria & Kevin Barthelemy, Cassie Beattie, Tracy Bellini, Barbara Berona, Heidi & Barry Beninger, Regina Benvenuti, Russ, Andre Bergman, Peter Biddle, Gary Branon, Mary & Ernest Bryant, Karen Caldwell, Jill Carroll, Robert Carson, Gem & Vincent Chisholm, Susan & George Cohen, Christopher & Emily Cook, Corie Cameron & Kaye, Susan Cymrot, Dallas Hickler DDS Inc, Janice Dierington, Jessica Dukakis, G. Doyle & J. Del Castello, Margaret DeMartini, April Mary Di Santa, Deanna & Gerard Donnellan, Stacie & Robert Donohue, Roberts & Alan Dunham, Roberta Dunham, Brian Duran, Bruce & Felli Eto, Donald Erbe, Karoline Esquivel, Cindy Ewing, Gary Farber, Kathryn Filley-Brown, Ann Frazier, FP Builders, Charmelle Funt, Juan Garcia, Brenda Gates-Morales, Salsbery Psychotherapy Group, Penny & Rick Gazzara, Germaine Living Trust, Althea Gould, Britney Lynn Goff, Karolyn Green, M. Arnette Gross, Dana & Ross Guadagna, Sylvia & Richard Hageman, Julie Hawkins, Frances & Larry Heon, Marger Hines, Kathleen Holmes-Kirchling, Bill Hoopes, Joan & Bruce Hoops, Sharon Jackson, C. & T.J. Jenkins, Craig Jensen, Richard & Bria Johnson, Kate Johnson, Mary & Steven Kayser, Fern & Lowell Kappa, John Lazzarotto, Gretchen Leavitt, Susan Lamore, Martha & Geoffrey Lavessa, Michele & Craig Lubow, Susan & Nicholas Lynett, William & Gwendolyn Lynch, Barbara & Anthony Maglio, Linda & Dan Mahadevan, Laura McConrad, Vincent Marri, Jean Mariani, Melinda Norman, Mary & Laurence Pizzotta, Joyce McCann, Joan McConrad, Christine & Roger Minionetti, Dean Moser, Carol & Barry Nordhaus, Justin & Philip Page, John Padone, Miles Peterson, Patricia & Michael Petty, Donna Pfeiff, Rebecca & Hugo Pimental, Marsha Podd, Cheryl Roschinski, Elaine & Michael Ray, Shari Richardson, Audrey Newman & Gary Kovacs, Ana Sabour & Karim Kovacs, Michele & John Samsay, Freddie & Corina Seland, Naja Schwarz, David Schlosser, Felicia Silva, W.L. Simon, Ralph & Patricia Slavovick, Glenn Stark, Elaine Sullivan, Peter Terman, Mary Terman, Christopher & Dana Vining, Patricia & Kirk Walls, Nancy Warfield, Jeannette & Robert Weisber, Daral Werneth, Vickie Welch, Wendy & Richard Winter, Lory & Suzi Whorl, Deanna Wolbert, Margaret Wood, Mary & James Ryan-Jervis, Lane & Everett Yeo, Valerie & Ronald Zabak

THANK YOU PARTNERS!

## 2020 Annual Report + 2021 Proposed Budget

<b>Budget Information</b>			
<b>Line Item Description</b>	<b>2020 Budget</b>	<b>2020 Est. Actual</b>	<b>2021 Proposed</b>
<b>Income</b>			
BID Assessment	53,000	47,930	50,000
City Match	53,000	47,930	50,000
<b>Event + Other Income</b>			
Nostalgia Days	25,000	0	25,000
Holiday & Tree Lighting Events	16,000	5,500	20,000
Bouncy Ball New Year	1,000	0	1,000
Associate Memberships	1,825	365	1,825
Rock the Block	55,000	4,000	55,000
Interest Income	55	20	55
<b>Total Income</b>	<b>204,880</b>	<b>105,745</b>	<b>202,880</b>
<b>Administrative Expense</b>			
Cell Phone	800	720	800
Accountant	4,000	2,441	3,500
Board & Association Development	3,000	240	1,000
Bulk Permit-Postage	500	250	500
Filing Fees	300	30	150
Insurance	6,200	6,007	6,200
General Membership & BID Meetings	5,500	3,313	5,000
Memberships (NCOC)	360	370	370
Office Supplies	500	230	500
Bank Charge	250	70	250
<b>Total Administration Expense</b>	<b>21,410</b>	<b>13,671</b>	<b>18,270</b>

**Budget Information Continued**

<b>Line Item Description</b>	<b>2020 Budget</b>	<b>2020 Est. Actual</b>	<b>2021 Proposed</b>
<b>Member Outreach &amp; Services Expense</b>			
Payroll Expense-ED	65,000	70,200	70,200
Employee Tax & Insurance	6,500	6,858	6,900
Mailings & Communications	4,000	0	1,500
Newsletters	3,000	0	1,000
Website	2,000	48	500
<b>Total Member Outreach &amp; Services Expense</b>	<b>80,500</b>	<b>77,106</b>	<b>80,100</b>
<b>Beautification &amp; Capital Improvement</b>	<b>45,000</b>	<b>30,500</b>	<b>35,000</b>
<b>Event Expense</b>			
Nostalgia Days	19,000	394	19,000
Safe Trick or Treat	3,700	0	3,700
Bouncy Ball New Year	1,500	0	1,000
Rock the Block	36,000	1,533	36,000
Holiday & Tree Lighting	14,500	5,300	14,500
<b>Total Event Expense</b>	<b>74,700</b>	<b>7,227</b>	<b>74,200</b>
<b>Marketing Expense</b>			
Sponsorship Expense	4,000	0	1,000
Internet Campaigns	5,000	3,235	3,000
Rebranding	20,000	700	5,000
Advertising & Promotion	22,000	18,898	22,000
Marketing Expense - Other	3,000	1,000	2,500
<b>Total Marketing Expense</b>	<b>54,000</b>	<b>23,833</b>	<b>33,500</b>
<b>Total Expense</b>	<b>275,610</b>	<b>152,337</b>	<b>241,070</b>
<b>Cash On Hand From Previous Year</b>			
Excess of Receipts Over Disbursements	-70,730	-46,592	-38,190
Cash On Hand as of Last Day of Previous Year	94,631	89,901	43,309
<b>Budget Balance Factoring Cash on Hand</b>	<b>23,901</b>	<b>43,309</b>	<b>5,119</b>



# What is the Novato Downtown Business Improvement District?

## 1 Background

A Business Improvement District, or “BID” or “DBID,” is a revitalization tool for commercial neighborhoods such as shopping areas and downtown business districts. Established by law in the late 1980’s and early 1990’s, BIDs are public/private sector partnerships that perform a variety of services to improve the image of their cities and promote individual business districts. They also carry out economic development services by working to attract, retain and expand businesses. Today, there are over 1,200 BIDs in the United States alone, with additional BIDs throughout other countries.

## 2 Novato’s Downtown Business Improvement District

In 1999, a group of merchants (the BID Formation Committee) worked with the City to create the Business Improvement District. The goal was to attract more business Downtown and enhance the customer and visitor experience. The BID was seen as an important part of the continued revitalization of Downtown Novato. In partnership with the merchants, the Novato City Council formed the Novato Downtown Business Improvement District (BID) in 1999 which was incorporated into the Novato Municipal Code as Section 2-25 ‘Downtown Novato Business Improvement District’. The Municipal Code allows the City and the BID Board of Directors to establish agreements for the administration of the district. This is a typical structure used by cities across the nation. Since 1999, the City Council has contracted with the Downtown Novato Business Association (DNBA) to serve as the BID Advisory Board and to administer and manage BID activities and funding since the creation of the BID. In 2015, the agreement between the City and the DNBA was updated and Administrative Guidelines were adopted to provide operating clarity for the BID’s operations. The DNBA is a non-profit organization with a volunteer Board of Directors and historically has not had paid staff. In 2014, the DNBA created an Executive Director position to provide management and administrative assistance – to support the organization’s ability to provide better communication, marketing, and coordination of the DNBA’s work. The DNBA has adopted bylaws to govern its activities and functions.

## 3 Novato BID Boundaries and Assessments

There are approximately 380 businesses in the BID which self-assess an annual fee that generates about \$54,000 per year. In 2005, the BID fee was increased by five percent and the BID boundary was expanded to include the two retail centers at Seventh and Grant Avenues (Lucky's and DMV centers), northward along Redwood Avenue from Vallejo Avenue to Golden Gate Place (Trader Joe's and Atherton Ranch commercial areas), and eastward the area around Whole Foods was changed from a Zone B to a Zone A. The map attached (Exhibit A) shows the boundaries of the BID with Zone A and B.

Business Improvement District assessments are levied on the basis of the estimated benefit to the businesses and property within the BID area. A BID may assess property according to zones of benefit, in relation to the benefit being received by businesses within each zone. The BID assessment is billed annually with the City of Novato’s business license distribution. As shown below, the assessment schedule is as follows:

Type of Business	Benefit Assessment		Type of Business	Benefit Assessment	
	Zone A	Zone B		Zone A	Zone B
Retailers/Restaurants			Professional Businesses	\$131	\$65
1-3 Employees	\$158	\$79	Financial Institutions	\$525	\$525
4-6 Employees	\$263	\$131	Lodging (Bed and Breakfast)	\$158	\$158
7 + Employees	\$368	\$184	Lodging (Hotels and Motels)	\$263	\$263
Service Businesses	\$158	\$79			

## 4 Isn’t This Just Another Tax?

No. Business improvement district assessments are not taxes. BID assessments are vehicles which convey a special benefit upon those who pay. While it is true that all affected parties in a given district must pay the assessment, it is important to remember that the BID was established originally through the consent of those businesses which paid a majority of the assessment.



## 5 What is the Annual Assessment Process?

As part of the annual renewal process for the BID, the BID Advisory Board is required to prepare an annual report each year. Among other things, the annual report includes a proposed work plan and detailed budget for the upcoming year, summary of accomplishments and information outlining the method and basis for levying the BID assessment.

As a reminder, for this BID, the DNBA serves as the BID Advisory Board and prepares the annual report and budget. Below is the annual assessment process for the BID which requires City actions -- including two City Council meetings, legislative actions by the Council, and public and member notification.

- **1st City Council Meeting (October 13, 2020)**
  - Presentation by the DNBA/BID Advisory Board of its Annual Report and proposed 2021 BID budget
  - Council takes action on the 2021 Proposed BID Budget and 2020 Annual Report
  - Council takes action on a Resolution of Intention to Levy assessments for 2021
- **Public Notice**
  - Publish Resolution of Intention to Levy an Annual Assessment in newspaper (at least 7 days prior to the public hearing)
- **2nd City Council Meeting (October 27, 2020)**
  - Public hearing on the Annual Assessment and to receive protests against levy of assessments
  - Council action on Resolution Confirming the Annual Report (approves the levy of assessments)

After the assessments are approved, City finance staff incorporates the BID levies into the business licenses bills which are distributed in mid-December to all members.

## 6 Public Hearing & Comments For or Against

At the public hearing on October 27, 2020 all members of the BID and public are welcome to speak to the City Council regarding the annual BID assessment. Written comments for or against the benefit assessments to be levied can be mailed to the City Clerk of the City of Novato at 922 Machin Avenue, Novato, California 94945, or submitted to the City Clerk at or before the public hearing on October 27, 2020. To be counted formally, protests must be received by the City Clerk no later than the public hearing on October 27, 2020.

A protest against the levy of assessments may be made orally or in writing. An oral protest shall be made at the public hearing however, in order to count in calculating whether businesses paying 50% or more of the proposed assessments are against the assessment, a protest must be in writing. Each written protest must (i) be filed by an owner of a business located within the business improvement district and (ii) be signed by the person shown on the official records of the City as being the owner or designated agent of that business. In addition, in order to be counted as a valid written protest, each written protest shall be completed on the City's "2021 Protest Form" which is available at [www.novato.org/BID](http://www.novato.org/BID). For purposes of BID protests, the "official records" of the City are the City business license database. If the person signing the protest is not shown on the official records of the City of Novato as the owner of the business, then the protest shall contain or be accompanied by written evidence that the person is the "designated agent" for the corporation or entity. A written protest may be withdrawn from record at any time before the conclusion of the public hearing. The Administrative Guidelines provide additional information regarding the protest process and can be found at [www.novato.org/BID](http://www.novato.org/BID).

If there are a large number of written protests submitted on a timely basis, the City Council has the option to close the public hearing and then continue the matter to its next regularly scheduled meeting to allow for a thorough counting of the submitted written protests. If written protests have been timely submitted by the owners of the businesses within the BID that will pay fifty percent (50%) or more of the total assessments of the entire BID, then no further proceedings to levy the assessments shall occur for the 2021 year and any new proceedings to levy assessments shall not be undertaken again for a period of at least one (1) year from the date of the finding of the 50% or more written protest by the City Council. If the 50% or more written protest is only as to an improvement or activity proposed in the DBID's annual report, then that type of improvement or activity shall not be included in the BID for 2021.

## 7 Further Information

Interested persons may view the BID documents on file with the City Clerk's office which are also posted on the City's web site with the agenda packet for the October 27, 2020 Council meeting. Further information regarding the Downtown Novato Business Improvement District may be obtained from the City Clerk of the City of Novato, at 922 Machin Avenue, Novato, California, 94945, from 9:00 a.m. - 5:00 p.m., Monday through Thursday, or telephone 415-899-8900. All written comments shall be mailed and/or delivered to said address.

EXHIBIT A - BID MAP

Downtown Novato  
Business Improvement  
District Boundary

Zones of Benefit



Graphic Scale



## BID Advisory Board Report 2020

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### The BID Advisory Board Members

Steven Jordan, Creekside Bakery; Chair

Jon Ballack, Orange Theory Fitness

Katie Chase, State Farm Insurance

Vincent Cheung, Angie's Steam Foot Spa

Mike Kumeilis, Mantra Wines

Kevin Mahoney, Teeny Cakes

Andy Podshadley, Trek Winery

Paul Price, Novato Kitchen and Bath

Emily Rich, Village Child

Peter Serchia, All Seasons Soccer

Rob Sundberg, Avenue Salon

Dear Business Owner,

As a business in Downtown Novato, you are part of the Downtown Business Improvement District, of which the DNBA serves as the Advisory Board by the appointment of the Novato City Council. Each year we are required to submit a report to the Council regarding the operation of the District. You will see the Annual Report of the DNBA and a report from the BID Advisory Board. In regards to the BID, there are no changes proposed in the District boundaries or assessments, however the Board will be scheduling meetings in 2021 to discuss these topics. If you have any questions, please contact Steve Jordan at 415.892.7655 or email [creeksidebakery1@yahoo.com](mailto:creeksidebakery1@yahoo.com).

Sincerely,

A handwritten signature in black ink, appearing to read "S. Jordan", written in a cursive style.

Steve Jordan  
BID Advisory Board Chair

### 2020 Downtown Business Improvement District Advisory Board Report

The BID Advisory Board, pursuant to State Code Section 36533, makes the following proposals and recommendations concerning the Downtown Novato Business Improvement District for the 2021 fiscal year;

#### 36533 (b)1 District Boundaries/Benefit Zones

Section 36528; "The city council may establish one or more separate benefit zones within the area based on the degree of benefit derived from the improvements or activities to be provided within the benefit zone and may impose a different assessment within each benefit zone."

*We are recommending no changes to the boundaries of the BID and the benefit zones at this time.*

#### (b)2 Improvements and Activities to be Provided

Section 36510; "Improvement" means the acquisition, construction, installation, or maintenance of any tangible property with an estimated useful life of five years or more including, but not limited to, the following:

- a.) Parking facilities b.) Benches c.) Trash receptacles
- d.) Street lighting e.) Decorations f.) Parks g.) Fountains

Section 36513; "Activities" means, but is not limited to, all of the following:

- a.) Promotion of public events which benefit businesses in the area and which take place on or in public places within the area
- b.) Furnishing of music in any public place in the area
- c.) Promotion of tourism in the area
- d.) Activities which benefit businesses located and operating in the area

*Our proposals for improvements and activities are listed in the DNBA 2021 Proposed Budget.*

#### (b)3 Estimate of the Cost of Providing Improvements & Activities

Our cost estimates are listed in the DNBA 2021 Proposed Budget

#### (b)4 Method and Basis of Levying the Assessment

Section 36501 € The Legislature also finds that it is of particular local benefit to allow cities to fund property related improvements and activities through the levy of assessments upon the businesses which benefit from those improvements and activities

Section 36501 € The Legislature also finds.... that those assessments are not taxes for the general benefit of the city, but are assessments for improvements and activities which confer special benefits upon the businesses for which the improvements and activities are provided

Section 36536; The assessments levied on businesses pursuant to this part shall be levied on the basis of the estimated benefit to the businesses and property within the parking and business improvement area. The city council may classify businesses for purposes of determining the benefit to a business of the improvements and activities provided pursuant to this part

*We are recommending no changes to the method and basis of levying the assessment at this time.*

#### (b)5 Amount of Surplus or Deficit Revenues Carried Over From a Previous Year

*The surplus for this year is included in the DNBA 2021 Proposed Budget and listed as the Cash On Hand From Previous Year.*

(b)6 Amount of Contributions From Other Sources Than Assessments

*These are included in the DNBA 2021 Proposed Budget as Line Item 4400-Other Income. They include income from, but not limited to, associate membership fees for the DNBA, various sponsorship programs of the DNBA and the Public/Private Partnership between the City of Novato and the Downtown Novato Business Improvement District, wherein the City matched all assessments from district businesses. This leveraging of private monies from district businesses with public funds has been instrumental in the success of the District, enabling us to continue making Downtown Novato the cultural, economic and social center of the City.*

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