



THE CITY OF
NOVATO
CALIFORNIA

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City Manager
Michael S. Frank

October 30, 2014

Dear Downtown Business Owners:

In 1999, a group of downtown businesses asked the City Council to create a Business Improvement District (BID) to create a fund through an annual assessment to allow for collective marketing and promotion of Downtown Novato. The goal was to attract more business Downtown and enhance the customer and visitor experience. Across the state, BIDs are an effective way for downtowns to co-market and create activities and events in order to compete more effectively with the marketing that occurs in traditional shopping centers. Since 1989, the City has contracted with the Downtown Novato Business Association, a separate non-profit, to invest the BID funds in Downtown. Currently there are approximately 380 businesses in the BID which are assessed differentiated annual fees that generate approximately \$54,000 for the purposes of enhancing the downtown through marketing and promotion, events, and improvements.

For the last 15 years, the City has supported the activities of the DNBA and its management of the DBID, and has provided oversight without extensive intrusion. In 2014, City staff worked in close partnership with a newly constituted Board of Directors to increase communication and outreach, improve administrative processes, and enhance marketing of monthly events to bring people downtown. Civitas Advisors, a statewide expert in BID's, completed an assessment of the DBID's status and efforts which provided a roadmap for moving forward. Based on those recommendations, the DNBA recently hired a dedicated staff person--an extremely talented Executive Director with expertise in marketing, branding and event planning, who will provide a consistent presence for the membership and support for the DNBA Board.

The City Council and I believe great progress was made this year in the DBID, due to the efforts of the DNBA, and there is great excitement about 2015! At the City Council's last Strategic Planning retreat, there was an extensive conversation about projects in, and the importance of, Downtown. As a commitment to this progress, the City Council has recently pledged to make a three-year seed investment of \$50,000 per year in the DBID. Through a strong public/private partnership, we believe the economics and energy of our Downtown can be strengthened.

Each fall, the DNBA, acting as the BID Advisory Board, prepares an annual report and a budget for the following calendar year. As a member of the Downtown Business Improvement District, the attached packet provides you with a copy of the Annual Report and the 2015 budget and it outlines the assessment process. On Tuesday, October 28, the City Council initiated the process for the annual DBID assessment process. On Tuesday, November 11, there will be a public hearing at 901 Sherman at 6:30 p.m. on this topic. The City Council will hear comments during the public hearing and then decisions regarding the annual assessments will be finalized for 2015.

Ultimately, we all want to ensure a vital and vibrant Downtown for you, the investors in our city center, for our Novato community, and for our visitors. As we step out of the recession, we believe there are amazing opportunities ahead of the downtown if we all work together. We encourage you to get involved with this effort by attending DNBA meetings, and/or by connecting with us. We welcome your thoughts and questions. For more information, please contact City staff Peggy Flynn or Cathy Capriola at 899-8900 or city@novato.org.

Sincerely,

Michael Frank, City Manager