

Monterey Corridor Business Improvement District

Item 8.1

October 8, 2024

Nanci Klein	Director, Office of Economic Development and Cultural Affairs
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Victor Farlie	Assistant to the City Manager, Office of Economic Development and Cultural Affairs



BUSINESS IMPROVEMENT DISTRICT (BID)

BIDs are formed pursuant to the California Parking and Business Improvement Area Law of 1989.

BID law allows for the creation of special benefit assessment districts to raise funds within a specific geographic area.

BIDs allows business owners to organize their efforts and raise funds exclusively for the benefit of the district.

Business owners within the assessment district boundaries fund the district, and 99% of funds are used to provide services desired by and benefitting businesses within the district.

City Council renews the BID annually.

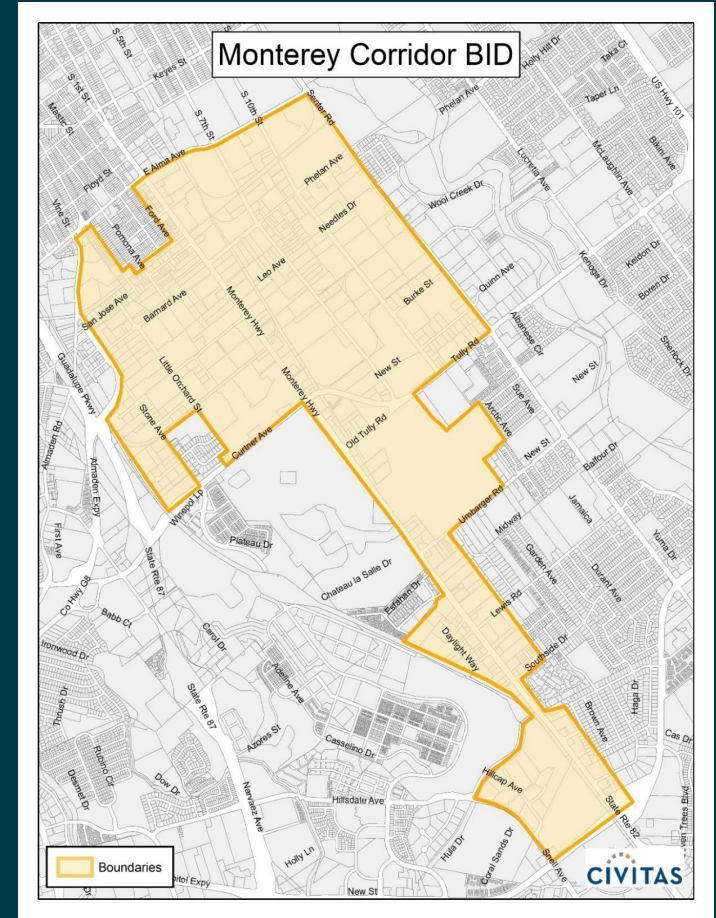
ABOUT THE CORRIDOR

The Monterey Corridor, between Capitol Expressway and Alma Avenue in central San José, is a major industrial, manufacturing, and commercial hub.

~ 1535 Businesses

Over 11,000 Jobs

Major employers along the corridor include Coastal Electric, Maxar Space Satellites, Capitol Drive-In, Sim's Metal, and Famous Dave's BBQ.



January 2019: City Council approved the establishment of the Monterey Corridor Working Group.

April 2022: Contract awarded to Community Strong Strategies to assist forming the Monterey Corridor Business Association (MCBA).

January 2023: MCBA establishes a functioning board, approved bylaws, and received its nonprofit 501(c)(6) legal status.

June 2024: MCBA board votes to proceed with establishing a business improvement district (BID).

Businesses within the MCBID will be assessed at a standard rate of \$250 annually.

Annual assessments for each business will coincide with the renewal of a business' business license.

Assuming 65% of assessment revenue is collected, the projected revenue for the first fiscal year is forecast at \$252,000.

BUDGET AND SERVICE PLAN

Service	Budget
Clean and Safe <ul style="list-style-type: none">• Removal of litter and bulky items• Graffiti removal• Pressure washing sidewalks• Installation and maintenance of security cameras• Private security or SJPD Secondary Employment	\$201,600
Marketing and Branding <ul style="list-style-type: none">• Banners and other marketing materials• Development and maintenance of a website	\$25,200
Administration	\$12,600
Contingency/Reserve	\$10,080
City Administrative Fee	\$2,520
Total Expenses	\$252,000

MCBID TIMELINE

Action	Date
Resolution of Intention to Establish the BID – City Council	October 8, 2024
Publication and Mailing of Notice	October 15, 2024
Public Meeting to set the Public Hearing – City Council	October 29, 2024
Public Hearing and First Reading of the Ordinance – City Council	December 10, 2024
Second Reading of the Ordinance – City Council	December 17, 2024
Ordinance becomes law (30 days after adoption)	January 17, 2025
Assessment begins	February 2025

Q & A



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