



ECONOMIC VITALITY COMMITTEE REPORT

February 15, 2024
Economic Development

TITLE: PROVIDE FEEDBACK ON DRAFT AGREEMENT WITH PLEASANTON DOWNTOWN ASSOCIATION

BACKGROUND

In August 2023, the City Council adopted the updated Economic Development Strategic Plan which the Economic Vitality Committee uses as the foundation for its work. The plan comprises of 5 Implementation Plan Priorities:

- 1.0 Economic Development Capacity Building
- 2.0 Business Retention, Expansion & Attraction
- 3.0 Local Revenue Growth
- 4.0 Entrepreneurship & Innovation Outreach
- 5.0 Major Projects Accelerator Program

There are specific actions items under Priority 1.0 Economic Development Capacity Building and 3.0 Local Revenue Growth that are related to the partnership the City has with the Pleasanton Downtown Association to market the Downtown District and promote economic vitality:

1.4 Formalize Community & Business Partnerships

3.2 Evaluate the Pleasanton Downtown Association's Business Improvement District Structure

The City has had an agreement with the Pleasanton Downtown Association to administer the Downtown Business Improvement District (BID); the most recent agreement was approved by the City Council on November 19, 2019. Through the terms of that agreement, for the past 23 years the Pleasanton Downtown Association has operated under the National Main Street model. In 2015, the National Main Street program rebranded as Main Street America. The approach remains the same and builds on a downtown's inherent assets by preserving the rich architecture and traditional values, while underscoring the district's strength as an economic center by supporting local business initiatives. This program includes having an organizational structure that ensures all aspects of managing the downtown district are addressed. As such, the PDA has maintained a full-time Executive Director, a Board of Directors elected by the downtown businesses as members of the organization, and committees focused on design, economic vitality and promotions and marketing for the downtown.

DISCUSSION

To clearly identify the role of the Pleasanton Downtown Association, the draft agreement (Attachment 1) articulates that the PDA will market and promote the downtown to enhance the vitality of the district for the benefit of the businesses located within the district and the community. Within this context, the agreement acknowledges the annual goals and priorities developed by the PDA Board of Directors and directs those to be shared with the City Council and City staff for discussion and identification of opportunities for joint implementation. This will channel the City's and PDA's work toward those initiatives deemed most beneficial and timely for the downtown district.

Included in the agreement is direction that the PDA focus its resources on efforts that are intended to draw patrons downtown. Understanding that events impact businesses in different ways, this proposed agreement limits the PDA to ten (10) Main Street closures per year (as did the previous agreements). The Association is free to change the events, but not add additional events that require Main Street to be closed. This limitation does not apply to street closures for other organizations or for City sponsored events. The agreement also describes that the PDA shall work to further the goals and initiatives of the City's Downtown Specific Plan as well as participate in the development of amended or new objectives and elements of the plan.

The agreement addresses one of the PDA's priorities for the City to initiate review of the existing assessment structure by 2025, from which to make a recommendation to the City Council for a revised assessment structure that helps to ensure the fiscal sustainability of the PDA and support enhancement of the downtown.

The current agreement expires on December 31, 2024. The proposed draft agreement will be reviewed by the Pleasanton Downtown Association Board at its meeting on February 20, 2024. Feedback from the Economic Vitality Committee and PDA Board will be considered for incorporation into the final draft, which will be presented to the City Council for approval at its meeting on March 19, 2024. The new agreement would commence on March 20, 2024, and be in effect until December 31, 2029, in keeping with the general five-year timeframe. The City may terminate the Agreement at any time only for the Association's non-compliance with the terms of the Agreement.

Considerations for EVC discussion and input:

1. Does the draft agreement address the current market needs of the Downtown District? Is anything missing?
2. Are there additional items that should be considered to invigorate economic vitality in the Downtown District?

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Attachment 1 – Draft Agreement with Pleasanton Downtown Association