



PETALUMA DOWNTOWN ASSOCIATION

December 16, 2024

Honorable Mayor Kevin McDonnell & Petaluma City Council Members:

On behalf of the Petaluma Downtown Business Improvement District (BID) Board of Directors and members, we extend our gratitude for your continued support.

2024 Overview

We are pleased to report strong engagement and dedication from business owners within the BID. The BID Advisory Committee has maintained regular monthly meetings, focusing on shopping/marketing and beautification priorities. In 2024, we introduced an educational component to these meetings, featuring small business support organizations such as the Sonoma County Small Business Development Center and Blue Zones.

The PDA Executive Director meets regularly with most city departments to discuss downtown issues, upcoming events and projects that impact on the downtown business community. The BID advisory committee acknowledge and appreciate being better connected to and served by the City thanks to the Police and Economic Development staff's participation at BID meetings and response to individual business needs.

Key Activities Funded in 2024

Marketing and Events play a critical role in boosting downtown visibility and supporting small businesses. In 2024, the BID organized several successful events to drive foot traffic and sales, including:

- **Annual Sidewalk Sale (August)**
- **Trick or Treat Trail (October)**
- **Holiday Open House and Marketplace (December)**

The BID also introduced new initiatives like the Maritime Passport to encourage boating visitors to shop downtown, a Holiday Shopping Passport, and a Bingo game for children. Marketing efforts were amplified through partnerships with the Visitor Program and Downtown Association.

Security - Due to budget constraints and the inability to adjust assessments for inflation, security coverage was reduced in 2024. To address this, we adjusted contract coverage areas and ensured the security team remained responsive to specific issues. Daily reports on security activities provided valuable insights and facilitated timely responses.

Beautification - The BID continued its investment in enhancing downtown's aesthetic appeal, including purchasing and installing annual holiday lighting, banners, and decorations. We collaborated with the City to support efforts to replace waste receptacles and expand holiday lighting in Center Park, Helen Putnam, and North Water Street.

2024 Financial Report - In 2024, the BID collected \$52,768, reflecting a 72% collection rate based on the initially estimated assessment amount of \$73,000. However, the actual amount billed during the year was \$64,000 to 571 businesses, meaning the true collection rate was 82.5%. Going forward the 2025 budget will be set at \$64,000.

Some closed businesses were replaced by new ones operating at the same locations. Since newly established businesses are exempt from the assessment during their first calendar year, we anticipate recapturing a portion of the lost revenue in 2025 as these businesses become subject to assessment.

The table below shows income from assessment 2015-2024

2015 \$61,940
2016 \$71,544.
2017 \$65,206
2018 \$67,458 (Includes collections from 2017)
2019 \$74,000 (Includes collections from 2018)
2020 \$67,101 (Approximately 10% down from previous year due to Covid-19)
2021 \$69,293 (Reflects permanent and temporary closures due to Covid)
2022 \$63,512 (8% lower than prior year reflecting ongoing COVID related closures)
2023 \$54,743 (15% lower due to business closures)
2024 \$52,867 (82.5% collection of the \$64,000 billed)

Attached are the 2025 annual report, Assessment Schedule, and Map, proposed budget, and map that require Council approval. The 2025 BID budget approved by the BID advisory committee is allocated as follows:

| | | |
|---------------|----------------|-----------------|
| 27% | Security | \$17,280 |
| 23% | Marketing | \$14,720 |
| 30% | Beatification | \$19,200 |
| 20% | Administration | \$12,800 |
| TOTAL: | | \$64,000 |

This budget assumes a collection at 100%. If actual collections fall short, we will adjust spending accordingly. Over the past few years, BID costs have risen. As a result, in 2025, we will reassess ongoing expenses, such as security, as we have been relying on reserve funds to maintain current service levels.

Billing and Collections - For 2025, Mungle & Associates will once again manage billing and collections. Their services will include:

Billing both existing and new businesses for 2025 and collecting delinquent assessments from 2023-2024

The 2025 BID billing packet will include:

- A cover letter.
- A BID invoice.
- A map of the BID area.
- An information update form to help us maintain accurate records.

The BID Committee maintains an up-to-date database for billing and actively discusses strategies to address outstanding delinquencies.

We value our continued partnership with the City and hope to see you at one of our events or BID meetings in 2025.

Yours sincerely,



Historic Depot Building • 210 Lakeville Hwy , Petaluma CA 94952
www.PetalumaDowntown.com
Ph: (707) 762-9348 • Email: Info@PetalumaDowntown.com

| | | |
|-----------------------------------|------------------|--|
| BID 2025 Proposed Projects | | |
| Projected Revenue | | |
| Proposed Projects | Expected | Notes |
| Security Patrols | \$ 17,280 | Private security patrols DAILY 10pm-4am 52 weeks |
| | | |
| Security 27% | \$ 17,280 | |
| | | |
| Destination marketing downtown | \$ 500 | Destination marketing ads & editorial in Chamber & Visitors guide |
| Sidewalk Sale | \$ 1,200 | Street banner \$400, additional banners \$150 advertising \$500 |
| Social Media Campaigns | \$ 1,000 | Ads thru facebook & other social media promoting events & downtown shopping |
| Holiday Merchant Event Downtown | \$ 1,000 | Carolers, entertainment, flyers, posters, ads |
| Holiday Marketing season | \$ 2,800 | Ads: SF Chronicle, Press Democrat, Argus, Bohemian etc |
| Holiday Online ads Press Democrat | \$ 700 | Online ad click through to website |
| Holiday Radio ad campaign | \$ 2,820 | Holiday radio campaign - 4 weeks shared with merchants |
| Marketing 23% | \$ 14,720 | |
| | | |
| Plants/misc decorations | \$ 1,200 | Event decorations/plants, clean-up for downtown |
| Holiday Lighting | \$ 1,500 | Holiday committee recommendation for holiday lighting |
| Holiday Decorations | \$ 11,500 | 70 Holiday banners, 8 wreaths installation up and down, cleaning, updating and storage |
| 4 seasonal banner placement | \$ 5,000 | Spring, Summer, Fall Banners |
| | | |
| Beautification 30% | \$ 19,200 | |
| | | |
| BID local billing & collection | \$ 7,500 | BID processing locally |
| Office staffing costs allocation | \$ 5,300 | PDA administrative cost allocation |
| | | |
| Administration 20% | \$ 12,800 | |
| | | |
| GRAND TOTAL | \$ 64,000 | |

BID ANALYSIS 2023-2024

[illegible]

BUDGET

| BID | 2014/15 | 2014/15 | 2015/16 | 2015/16 | 2016/17 | 2016/17 | 2017/2018 | 2017/2018 | 2018/2019 | 2018/2019 | 2019/2020 | 2019/2020 | 2020/21 | 2020/2021 | 2021/22 | 2021/22 | 2022/23 | 2022/23 | 2023/24 | 2023/24 |
|----------------|---------|----------|---------|-----------|---------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|---------|-----------|---------|-----------|---------|-----------|---------|-----------|
| | % | Actual | % | Actual | % | Actual | % | Actual | % | Actual | % | Actual | % | Actual | % | Actual | % | Actual | % | Actual |
| | | | | | | | | | | | | | | | | | | | | |
| Security | 32% | \$19,821 | 32% | \$ 22,895 | 27% | \$ 17,606 | 27% | \$ 18,214 | 27% | \$ 19,980 | 27% | \$ 18,117 | 27% | \$ 18,709 | 27% | \$ 17,148 | 27% | \$ 14,780 | 27% | \$ 14,247 |
| Marketing | 28% | \$17,343 | 28% | \$ 20,033 | 23% | \$ 14,997 | 23% | \$ 15,515 | 23% | \$ 17,020 | 23% | \$ 15,433 | 23% | \$ 15,937 | 23% | \$ 14,608 | 23% | \$ 12,591 | 23% | \$ 12,137 |
| Beautification | 20% | \$12,388 | 20% | \$ 14,308 | 30% | \$ 19,562 | 30% | \$ 20,237 | 30% | \$ 22,200 | 30% | \$ 23,610 | 30% | \$ 20,788 | 30% | \$ 19,054 | 30% | \$ 16,423 | 30% | \$ 15,830 |
| Administration | 20% | \$12,388 | 20% | \$ 14,308 | 20% | \$ 13,041 | 20% | \$ 13,492 | 20% | \$ 14,800 | 20% | \$ 13,420 | 20% | \$ 13,859 | 20% | \$ 12,702 | 20% | \$ 10,949 | 20% | \$ 10,554 |
| | | | | | | | | | | | | | | | | | | | | |
| | 100% | \$61,940 | 100% | \$71,544 | 100% | \$ 65,206 | 100% | \$ 67,458 | 100% | \$ 74,000 | 100% | \$ 67,101 | 100% | \$ 69,293 | 100% | \$ 63,512 | 100% | \$ 54,743 | 100% | \$52,768 |

| | |
|--------------|--|
| | |
| 13/14 Budget | Change in % approved by BID committee, effective June 2014 - result of reduction in camera lease contract back to 08/09 levels |
| 14/15 Budget | BID increase in income due to past payments coming in for 2012 thru 2015 |
| 15/16 Budget | BID increase objective to receive payments from businesses not previously billed |
| 16/17 | change % distribution to increase downtown beautification due to security camera elimination |
| 2017/18-2019 | No Changes |
| 2018/19 | Increase in collection of assessment fees, due improvement of BID communications and local collection. |
| 2019/2020 | Initial good payment rate but declined due to business closures due to Covid-19 |
| 2020/21 | Despite the closure of a number of downtown Businesses we collected 92% of assessments |
| 2021/22 | Collection down 8% due to covid related closures and 1st year exemption for new businesses |
| 2022/23 | We billed 571 businesses this year and collected 72%, in 2019 we billed 628 with a collection rate of 80% 77% |
| 2023/24 | We billed 577 businesses this year and collected 72% |
| 2024/25 | Adjusting expected budget to reflect number of businesses actually billed \$64,000 down from \$73,00 in 2025 |



Petaluma Downtown Business Improvement

c/o Mungle & Associates
628 E Washington St., Ste A
Petaluma, CA 94952

Invoice

| Date | Invoice # |
|-----------|-----------|
| 1/1/2025 | 5738 |
| Account # | 10001 |

| |
|---|
| Bill To |
| 628 E Washington St STE A Petaluma, CA 94952 |

| |
|-------------------|
| Customer E-mail |
| carol@cmungle.com |

| |
|------------------|
| Due Upon Receipt |
|------------------|

| |
|----------|
| Location |
| |

| Description | Amount |
|--|-----------------------|
| Professional Business. Zone A Level 1 THIS IS A MANDATORY ASSESSMENT IN ACCORDANCE WITH THE PETALUMA BUSINESS IMPROVEMENT DISTRICT ORDINANCE <div>We accept credit card payments. You should be receiving a digital copy of this invoice in your email. If you don't receive an email & prefer to pay with your credit card, please contact us at PetalumaBid@cmungle.com, or call 707-241-0195.</div> <div>This invoice reflects the amount our records indicate you owe for the current year. Please see the back of this form for more information regarding the BID billing rates. Please fill in the form if you think the rate charged is not correct. Please also fill in the update form and return to us with current contact information for your business.</div> Thank you! Your payment contributes to keeping the Business Improvement District vibrant! | 125.00 |
| DUE UPON RECEIPT DELINQUENT: APRIL 1, 2025 | Total \$125.00 |

| |
|--------------------------|
| BID Phone # 707-241-0195 |
|--------------------------|

City of Petaluma, CA
Downtown Business Improvement District (BID)
Mungle & Associates – as administrating agent
628 E. Washington Street Suite A
Petaluma, CA 94952



February 2025

Dear Business Owner/ Tax Manager:

****2025 CITY OF PETALUMA DOWNTOWN BUSINESS IMPROVEMENT DISTRICT (BID)****

The City of Petaluma City Council partners with Mungle & Associates for assistance in the collection of its mandatory Downtown Business Improvement District (BID) fees. This mailing is to transmit the 2025 Downtown Business District fees invoice that is due upon receipt and becomes delinquent on April 1, 2025. If late, late fees will apply.

This invoice is based and is calculated per your zone location, type of business and number of employees. To verify your calculation, the City of Petaluma uses data from the State Employment Development (EDD) regarding the number of employees submitted to them. Please be aware that it is important that the number of employees is accurately calculated and reported. Employees are calculated on full time hours (part time employees should be added together to get a full time equivalent) If you have any questions regarding zoning or number of employees, please contact Mungle & Assoc, at (707)-241-0195 or email Mungle & Assoc, at [PetalumaBID\(5\)cmungle.com](mailto:PetalumaBID(5)cmungle.com).

Mungle & Associates Remittance Address:

Mungle & Associates Attn: Petaluma BID
628 E. Washington Street. Suite A
Petaluma CA 94952

(Make Checks Payable to: Petaluma Downtown BID)

The assessment was established in November 2000, when the Petaluma City Council adopted Ordinance 214 N.C.S. establishing the Downtown Business Improvement District (BID). This occurred at the request of the Petaluma Downtown Association (PDA), after an extensive public hearing process, required by State Law. During the process, local business owners who were to be included in the BID had the opportunity to protest the formation of the district and terminate the process. However, recognizing the utility of the BID, very few chose to oppose the BID and the District was formed. The PDA Board serves as the BID Board of Directors and administers the funds collected from you by the City of Petaluma. The PDA does not have the authority to change this ordinance or grant exemptions.

According to the 2025 annual report of the BID, approved by the Petaluma City Council in January 2025, assessment of funds will be used as follows:

| | |
|-----------------------------|----------|
| 27% Downtown Security | \$17,280 |
| 23% Downtown Marketing | \$14,720 |
| 30% Downtown Beautification | \$19,200 |
| 20% Administration | \$12,800 |
| Total: | \$64,000 |

Your support of the Downtown Business Improvement District by making your timely mandatory payment continues the efforts made to maintain an economically vibrant and attractive downtown.

Sincerely yours,

Mungle & Associates
As administering agent for the City of Petaluma



City of Petaluma, CA
Downtown Business Improvement District (BID)
2025 Mandatory Assessment
Payable to: Petaluma Downtown BID

Mail To: Downtown BID c/o Mungle & Associates 628 E Washington St, Ste A, Petaluma, CA 94952

Phone: (707) 241-0195 • Email: PetalumaBid@cmungle.com

Due upon receipt

Delinquent: April 1, 2025

10% Penalty Phase: May 1, 2025

Downtown Petaluma Business Improvement District (BID) Assessment Fee Table

Retail, Restaurant and Antique Collectives: Businesses that buy and resell goods or comestibles. Examples are clothing stores, shoe stores, office supplies and antique shops as well as businesses that sell prepared foods and drinks.

Service Businesses: Businesses that sell services. Examples are beauty and barbershops, repair shops, most automotive orientated businesses, entertainment businesses such as theaters, etc.

Lodging: Includes renting rooms by the day or week to community visitors.

Professional Businesses: Includes Architects, Engineers, Attorneys, Dentists, Doctors, Accountants, Optometrists, Realtors, Insurance Offices, Mortgage Brokers and most other businesses that require advanced and/or specialized licenses and/or advanced academic degrees.

Financial Institutions: Includes Banking, Savings, Loan and Credit Unions.

(Employees are calculated on full-time hours. Part-time employees should be added together to get a full-time equivalent.)

| Description of Business | Zone A | Zone B | Zone C |
|-----------------------------------|-----------|-----------|-----------|
| Retailers and Restaurants: | | | |
| 0-3 employees | \$ 150.00 | \$ 100.00 | \$ 50.00 |
| 4-6 employees | \$ 250.00 | \$ 166.00 | \$ 83.00 |
| 7+ employees | \$ 350.00 | \$ 232.00 | \$ 116.00 |
| Antique Collectives: | | | |
| 0-3 employees | \$ 150.00 | \$ 100.00 | \$ 50.00 |
| 4-6 employees | \$ 250.00 | \$ 166.00 | \$ 83.00 |
| 7+ employees | \$ 350.00 | \$ 232.00 | \$ 116.00 |
| Service Businesses: | | | |
| 0-3 employees | \$ 100.00 | \$ 75.00 | \$ 50.00 |
| 4-6 employees | \$ 200.00 | \$ 150.00 | \$ 100.00 |
| 7+ employees | \$ 300.00 | \$ 225.00 | \$ 150.00 |
| Professional Businesses: | \$ 125.00 | \$ 82.00 | \$ 41.00 |
| Financial Institutions: | \$ 500.00 | \$ 500.00 | \$ 500.00 |
| Lodging: | | | |
| 1 – 10 rooms | \$ 150.00 | \$ 150.00 | \$ 150.00 |
| 11 – 25 rooms | \$ 250.00 | \$ 250.00 | \$ 250.00 |
| 26+ rooms | \$ 350.00 | \$ 350.00 | \$ 350.00 |

Enter # of employees, operators, dealers or rooms: _____

(Employees are calculated on full-time hours. Part-time employees should be added together to get a full-time equivalent.)

In the table above, please circle fee assessment and enter amount due: \$ _____

If Paid after May 1st, 10% Penalty: \$ _____

Total Due: \$ _____

(Make Checks Payable To: Downtown BID)

Returned Check Disclaimer: Each returned item received due to insufficient funds will be electronically represented to the presenters' bank no more than two times in an effort to obtain payment. Downtown BID is not responsible for any additional bank fees that will accrue due to their submission of the returned item.



Petaluma Downtown BID Business Update Form

Remittance Address:

Petaluma Downtown BID c/o Mungle & Associates • 628 E Washington St, Ste A, Petaluma, CA 94952

Phone: (707) 241-0195

Email: PetalumaBID@cmungle.com

Instructions: Please complete this form if you have any changes to your account. To ensure that we have the correct information regarding your business and the number of employees you have, please update applicable sections on this form and return with your BID payment and remittance form to the address listed above. Thank you for taking the time to provide updated information on this form.

Business Name: _____ Account #: _____

DBA: _____

Business Mailing Address: _____
(Address/City State/Zip)

Business Physical Address: _____
(Street Address/City State/Zip)

Owner's Name: _____ Owner's Phone: () _____

Business Phone: () _____ Business Fax: () _____

Contact Person: _____ Contact Phone: () _____

Email Address: _____

Description of Business: _____

Function of Company: _____

Landlord's Name: _____ Landlord Phone: () _____

Business Classification (select all that apply):

- | | | |
|--|--|--|
| <input type="checkbox"/> Retail Business or Restaurant | <input type="checkbox"/> Professional Business | <input type="checkbox"/> Financial Institution |
| <input type="checkbox"/> Antique Collectives | <input type="checkbox"/> Service Business | <input type="checkbox"/> Lodging |

Type of Business (select one):

- | | | |
|--|--|---|
| <input type="checkbox"/> Sole Proprietorship | <input type="checkbox"/> LLC - Single Member | <input type="checkbox"/> Professional Association |
| <input type="checkbox"/> General Partnership | <input type="checkbox"/> LLC - Multi Member | <input type="checkbox"/> DLLP |
| <input type="checkbox"/> Corporation | <input type="checkbox"/> Governmental Agency | <input type="checkbox"/> Other (please explain) |

Business closed or no longer doing business in the municipality? Please complete the below information and return either by Fax to 707-765-1583 or by email to Downtown BID at PetalumaBID@cmungle.com.

I hereby affirm that my business indicated above closed or is no longer operating in the above mentioned municipality as of _____/_____/_____ (Date business closed).

Signature: _____ Print Name: _____

Form Completed By: _____ Print Name: _____

BOUNDARY MAP

EXHIBIT 1

