

DALY CITY PBID FORMATION PROCESS

**DALY CITY SMALL BUSINESS COMMISSION
SEPTEMBER 11, 2025**



**COMMUNITY ECONOMIC DEVELOPMENT, STRATEGIC PLANNING,
COMMUNITY ENGAGEMENT, PBID MANAGEMENT, ORGANIZATIONAL
CAPACITY BUILDING**

**PBID/BID LEGISLATION AND TOURISM IMPROVEMENT DISTRICT
FORMATION, DESTINATION MARKETING ORGANIZATION EXPERTISE**

PROPERTY AND BUSINESS IMPROVEMENT DISTRICT 101

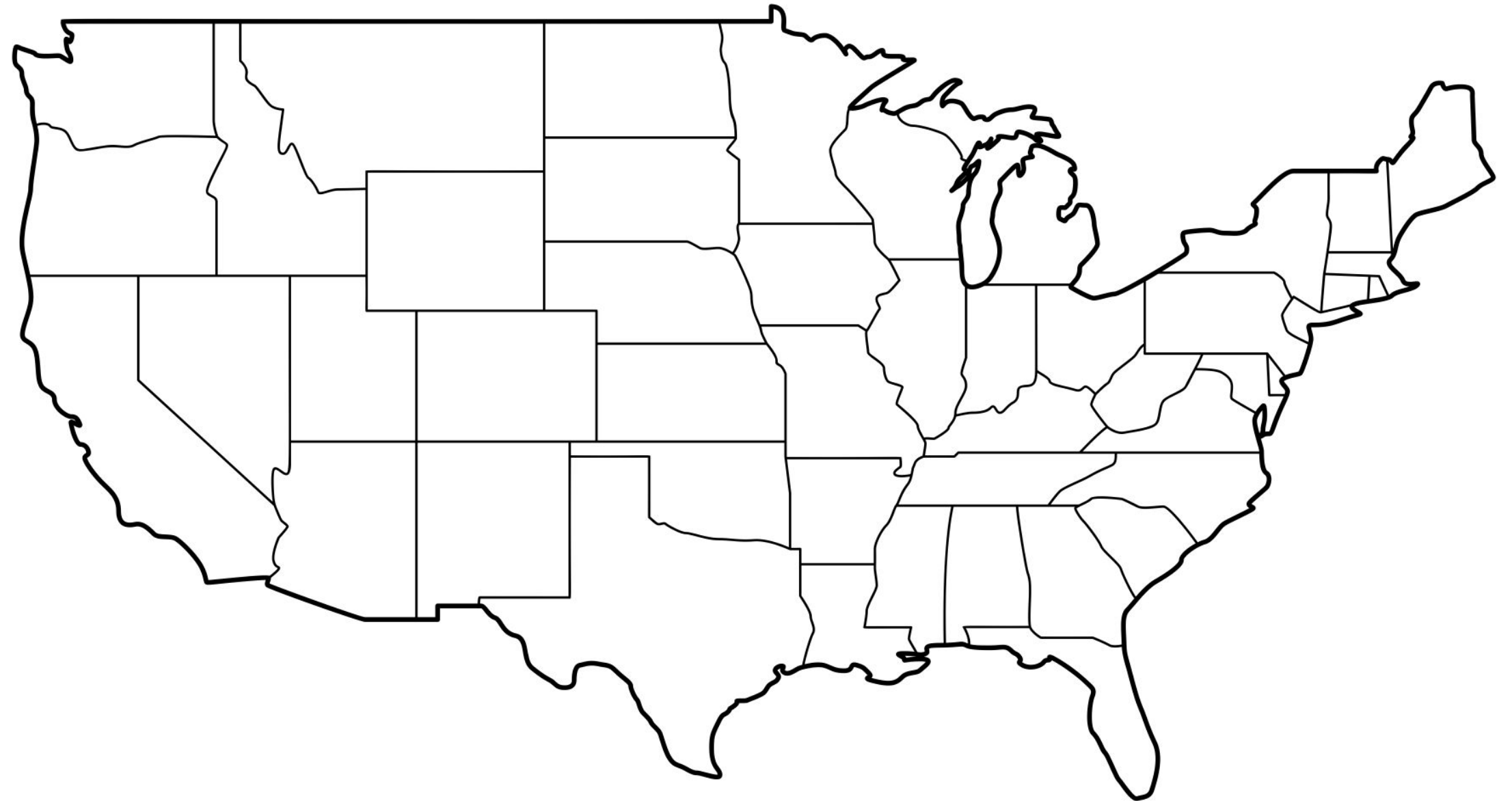
Property and Business Improvement Districts (PBID) are organizations of property owners and/or business owners working to improve their commercial corridor or business district - to supplement public services - through a stable funding mechanism.

PROPERTY AND BUSINESS IMPROVEMENT DISTRICT 101

Power of PBIDs

Over 2,500 PBIDs in North America

- City of Sacramento (8)
- City of San Francisco (16)
- City of Long Beach (11)
- Morgan Hill
- Richmond
- Los Angeles (40)
- New York City (76)



WHAT IS A PBID VS BID

California BIDs versus PBIDs

There are two types of assessment districts which can be created under: the “Property and Business Improvement District Law of 1994.” To help determine which is appropriate for you, following is a comparison of the major differences between the two laws.

SUBJECT	Business Improvement District	Property and Business Improvement District
Typical Services	Increased traffic to businesses through marketing, special events, and decorations	Increased beauty and safety within the district through Clean & Safe, security patrol, and graffiti removal programs
Assessment Basis	• Type of business • Annual revenue • Occupancy / Capacity • Number of employees	• Lot size • Built square footage • Frontage linear footage • Use code/zoning

BENEFITS OF PBIDS

Provides (supplemental) essential services

- Supplements, not supplants, government services
- Focused on boundary area
- Paid for by a special assessment from business/property owners
- Services and budget managed by a board, non-profit
- Board is comprised of stakeholders (rate payers)



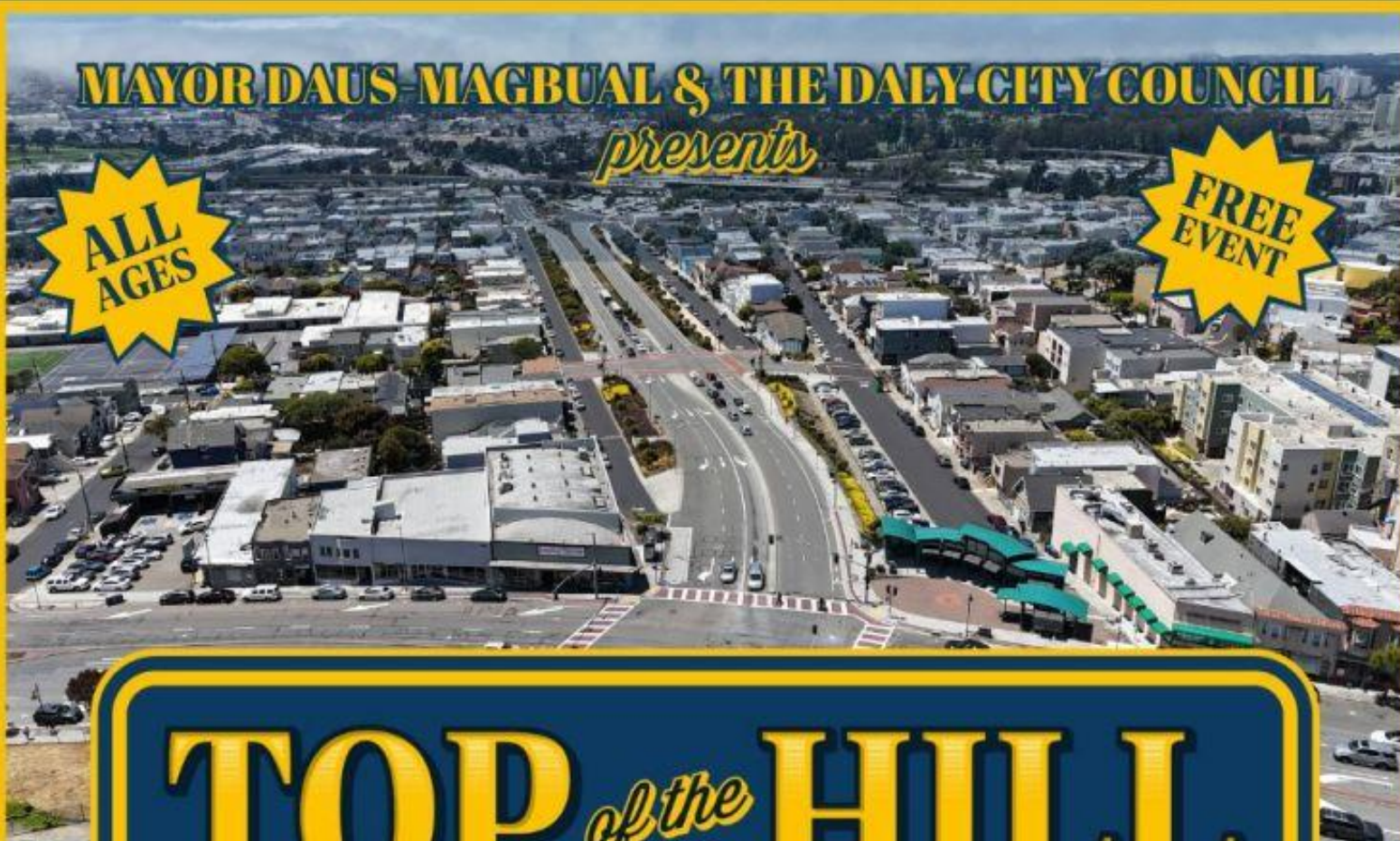
BENEFITS OF PBIDS (CLEAN AND SAFE)

- **Clean & Safe**
 - Graffiti Abatement
 - Pressure Washing
 - Trash & Debris Cleaning
- **Security Patrol**
 - Private Security, Off-Duty Police Officers
- **Business Support Services**
 - Local Business Association
 - Permit Assistance



BENEFITS OF PBIDS

- **Special Events**
 - Annual Events
 - Attract Investment
 - Augment existing activations
- **Marketing & Branding**
 - Banners
 - Decorations
 - Newsletters



MAYOR DAUS-MAGBUAL & THE DALY CITY COUNCIL
presents

ALL AGES **FREE EVENT**

TOP *of the* HILL

FESTIVAL

SATURDAY, OCT 18, 2025 | 11AM - 6PM

**LIVE PERFORMANCES • TOP OF THE HILL BUSINESSES • MERCH VENDORS
RESOURCE TABLES • FOOD VENDORS • BEER GARDEN • CAR SHOW
PONY RIDES • AND MUCH MORE!**

JOHN DALY BLVD & MISSION ST



@topofthehillfestivaldc

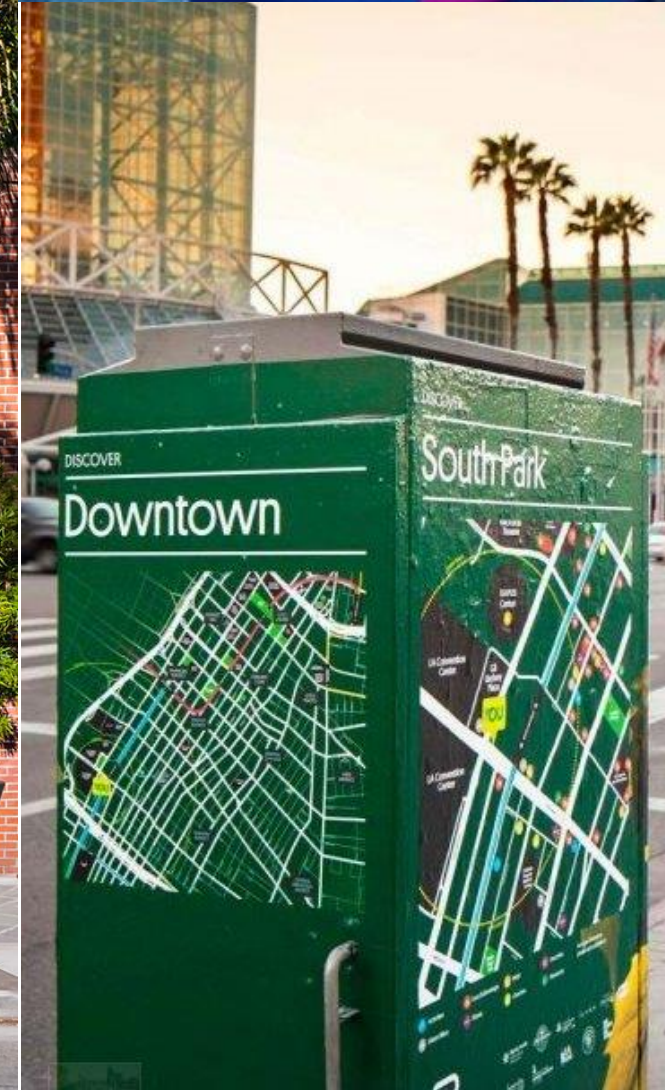


BENEFITS OF PBIDS (WAYFINDING)



BENEFITS OF PBIDS (BEAUTIFICATION)

- **Art:** murals, planters, utility boxes
- **Activation:** underutilized spaces, events, parklets, pocket parks



BENEFITS OF PBIDS

Increase:

- Sales revenue & Property values
- Foot traffic
- Safety
- Exposure of district
- Additional funding sources for special events, sponsorships, and grants
- Advocacy efforts (unified voice)

Decrease:

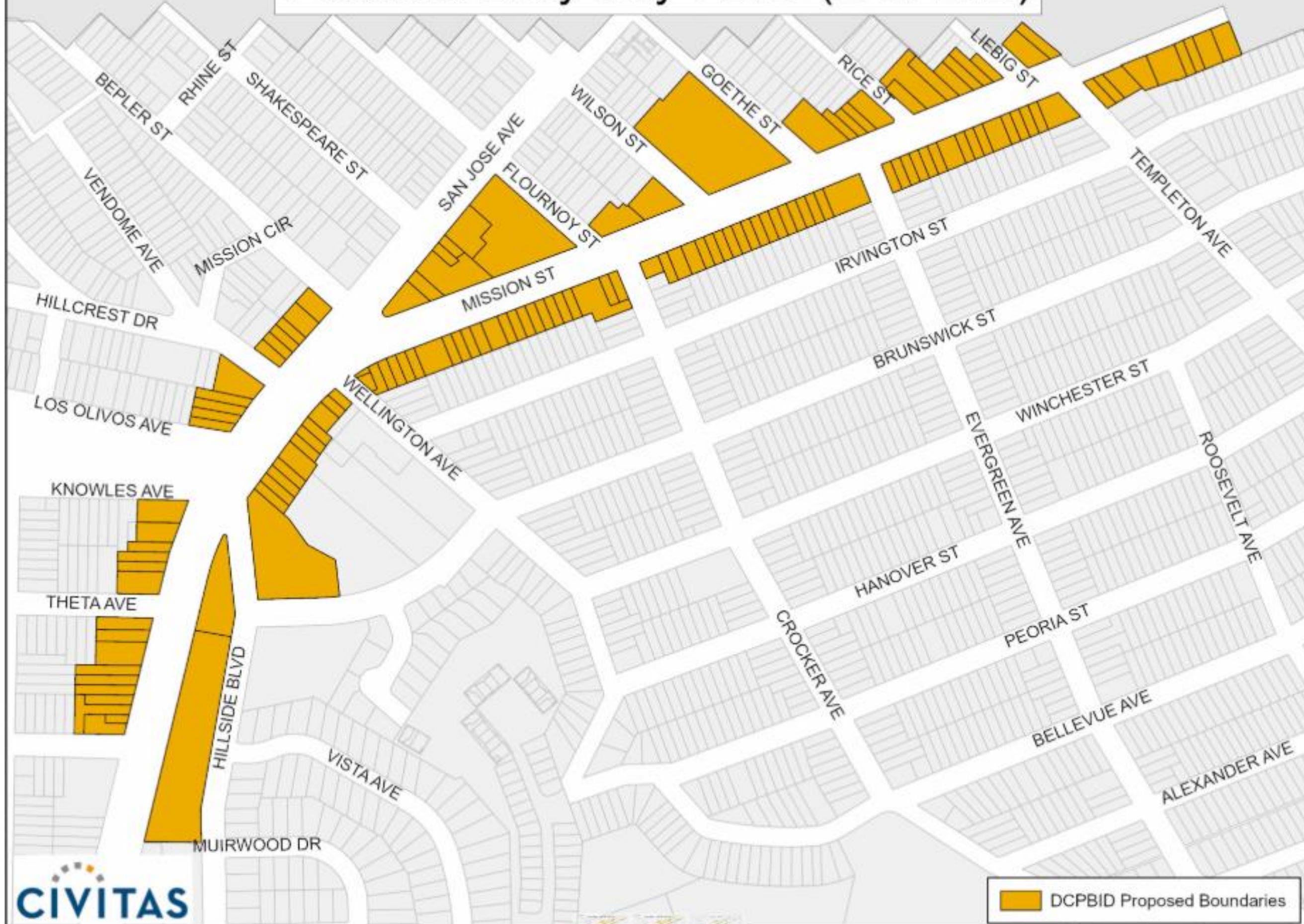
- Blight
- Vacancies
- Crime

The 2022 City & County San Francisco Property & Business Improvement District (PBID) Program Impact Analysis

Published
March 2023



Potential Daly City PBID (DCPBID)



OUTREACH EFFORTS

Translation services – flyers in Chinese, Spanish, Vietnamese and Arabic

Business Walks:

- July 30, Sept. 9
- Trends

Property Owner engagement

- Email follow-ups in August
- Emails sent to 10 property owners via Costar week of 9/1/25
- Follow-up Phone calls 9/1 - 9/15

Daly City Property Based Improvement District
Frequently Asked Questions

What is a Property & Business Improvement District?
A Property & Business Improvement District (PBID) is an assessment district which would provide additional services within a defined area. The services would be funded by an assessment on real property, which appears on property tax bills. PBIDs are proven to work by providing services that improve the overall viability of commercial districts, resulting in higher property values and sales volumes. PBIDs provide funding for programs which work efficiently to maintain the area as a safe and inviting environment. The services are chosen by property owners and customized to fit the needs of the district. All services are designed to provide direct benefits to those who pay into the PBID.

What services can a PBID provide?
PBID services must be carefully tailored to benefit the property owners paying the assessment. They will only be provided to properties paying the assessment. Possible services include:

- Unhoused solutions
- Security patrols
- Clean-Up Crews
- Street Ambassadors
- Marketing / Advertising
- Advocacy
- Signage Improvements
- Installation of bus benches, trash cans, tree wells, and art
- Street and Sidewalk Sweeping
- Graffiti removal
- Landscape maintenance
- Special event sponsorship
- Removal of large debris
- Business attraction and retention

How long will this last?
The District will be formed for five years, initially. After five years it will automatically expire, unless it is renewed by property owners. A district can be renewed for up to 10 years.

Can I opt-out of the District?
No. Once the District is created, all parcels within the boundaries will be assessed and receive services. There are no "free riders," but the cost of providing services will be relatively low as they are provided on a large scale. However, once per year there is an opportunity for property owners to petition the City/ County to dis-establish the District if they are not happy with the services.

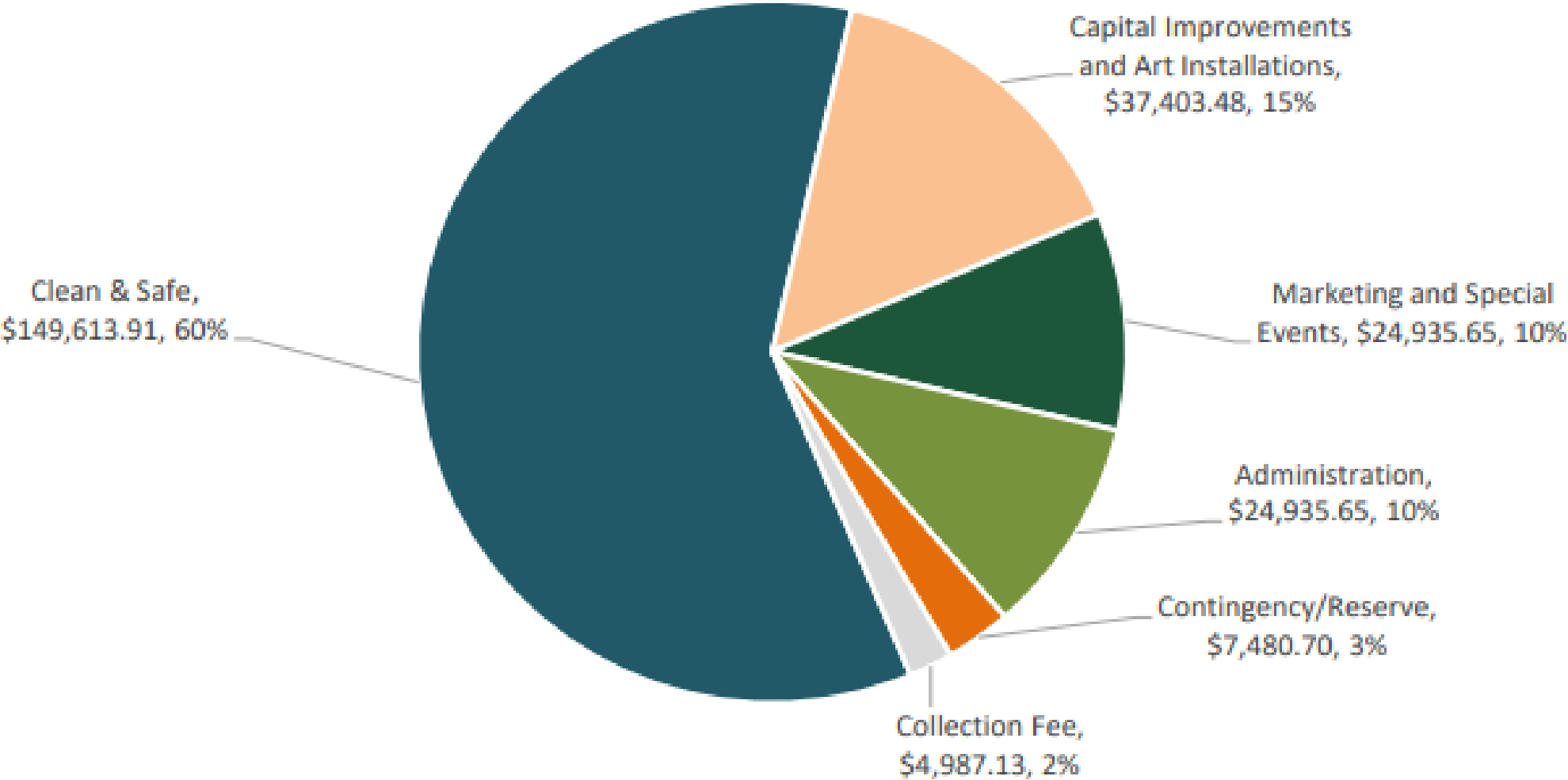
Are there other PBIDs in California?
Yes. There are over 200 PBIDs throughout California. They include:

- Downtown Sacramento
- Downtown Oceanside
- Downtown Morgan Hill
- Downtown Burbank
- Downtown San Jose
- Shadelands Walnut Creek
- Telegraph Hill, San Francisco
- Koreatown, Los Angeles

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Morgan Hill (PBID)

Total Assessment Budget: \$249,356.52

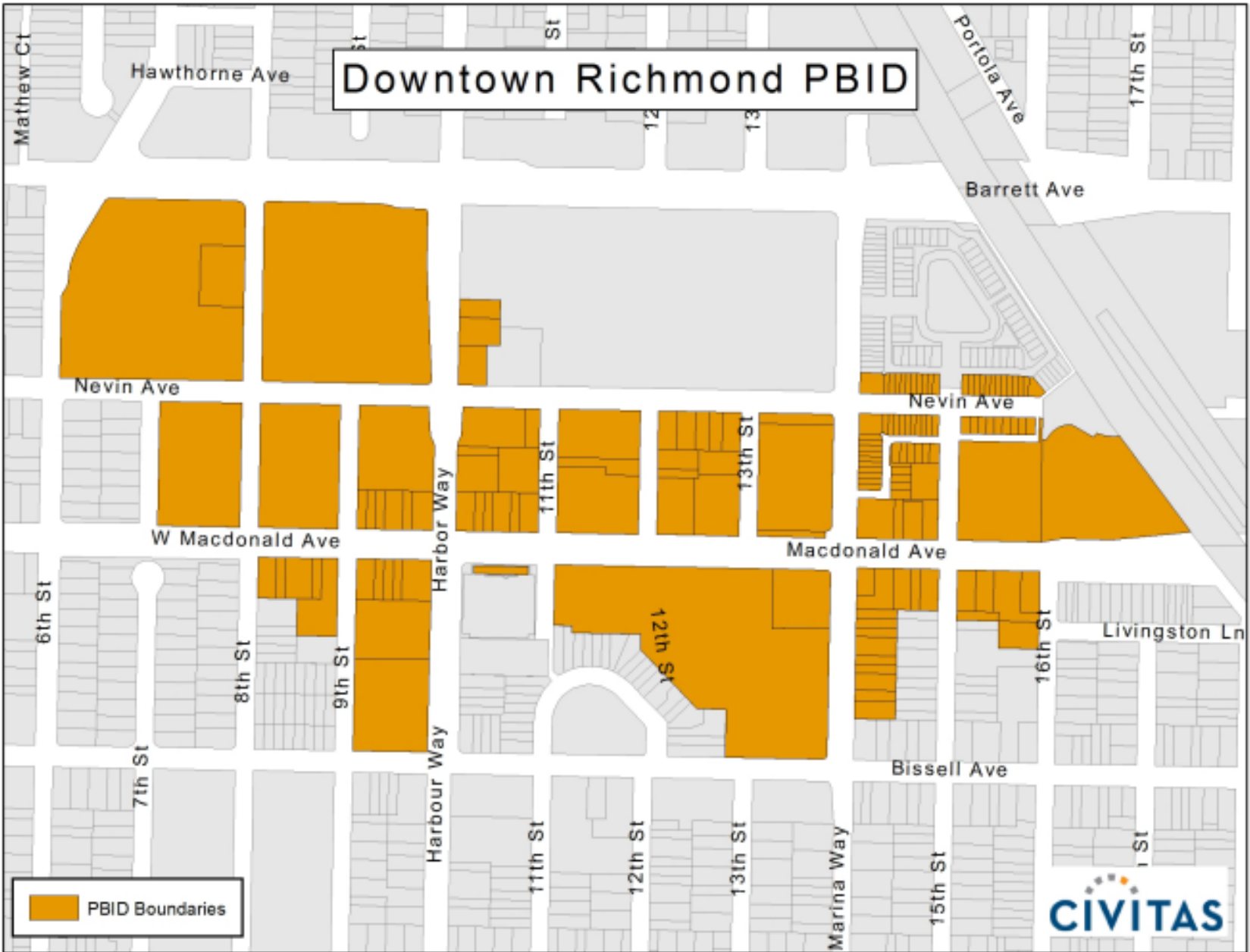
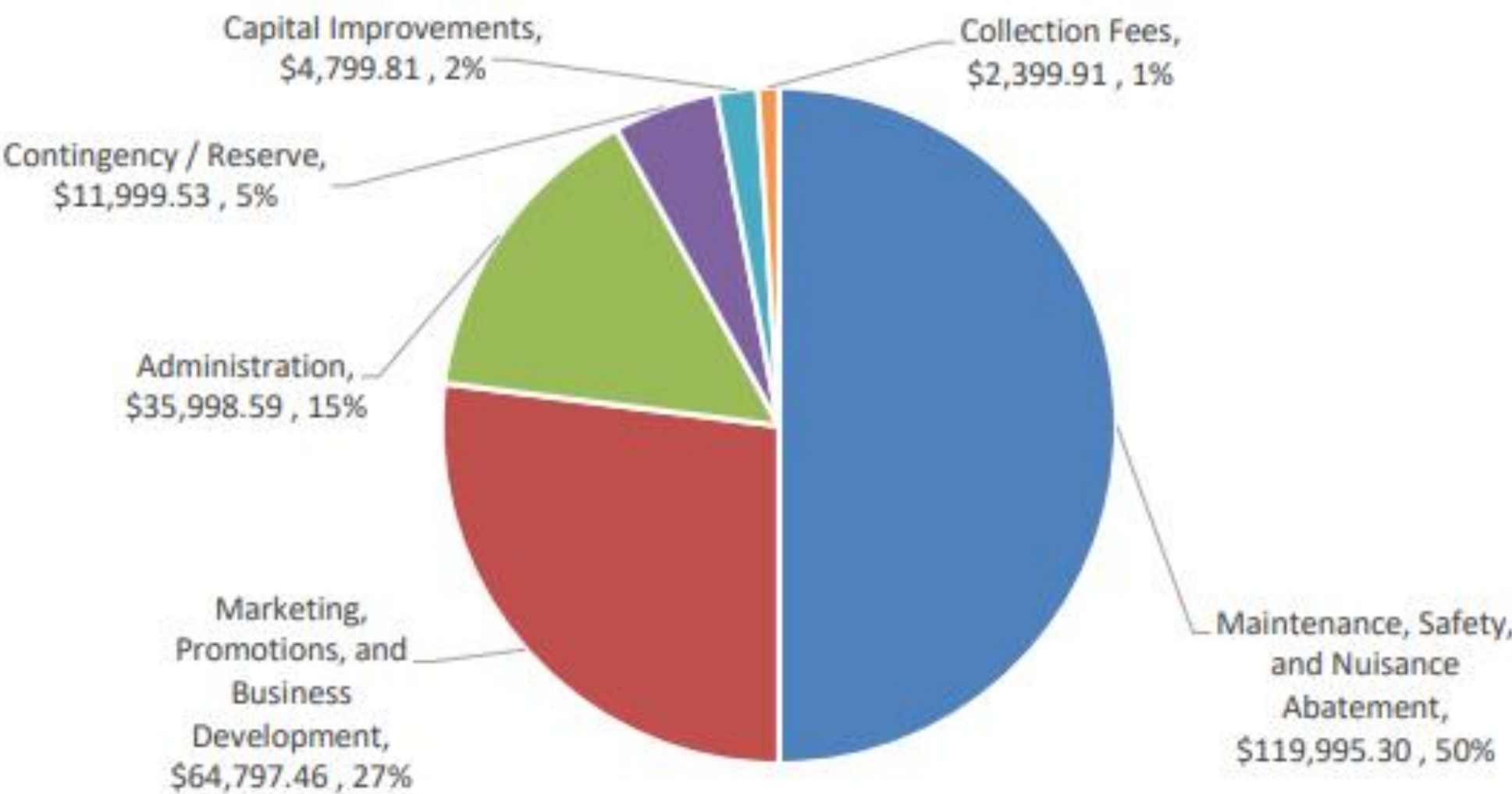


Parcel type	Square Footage Assessment rate (sq. ft.)	Linear Frontage Assessment rate (ln. ft.)
Commercial	\$0.10	\$5.00
Non-profit	\$0.04	\$2.00



Downtown Richmond (PBID)

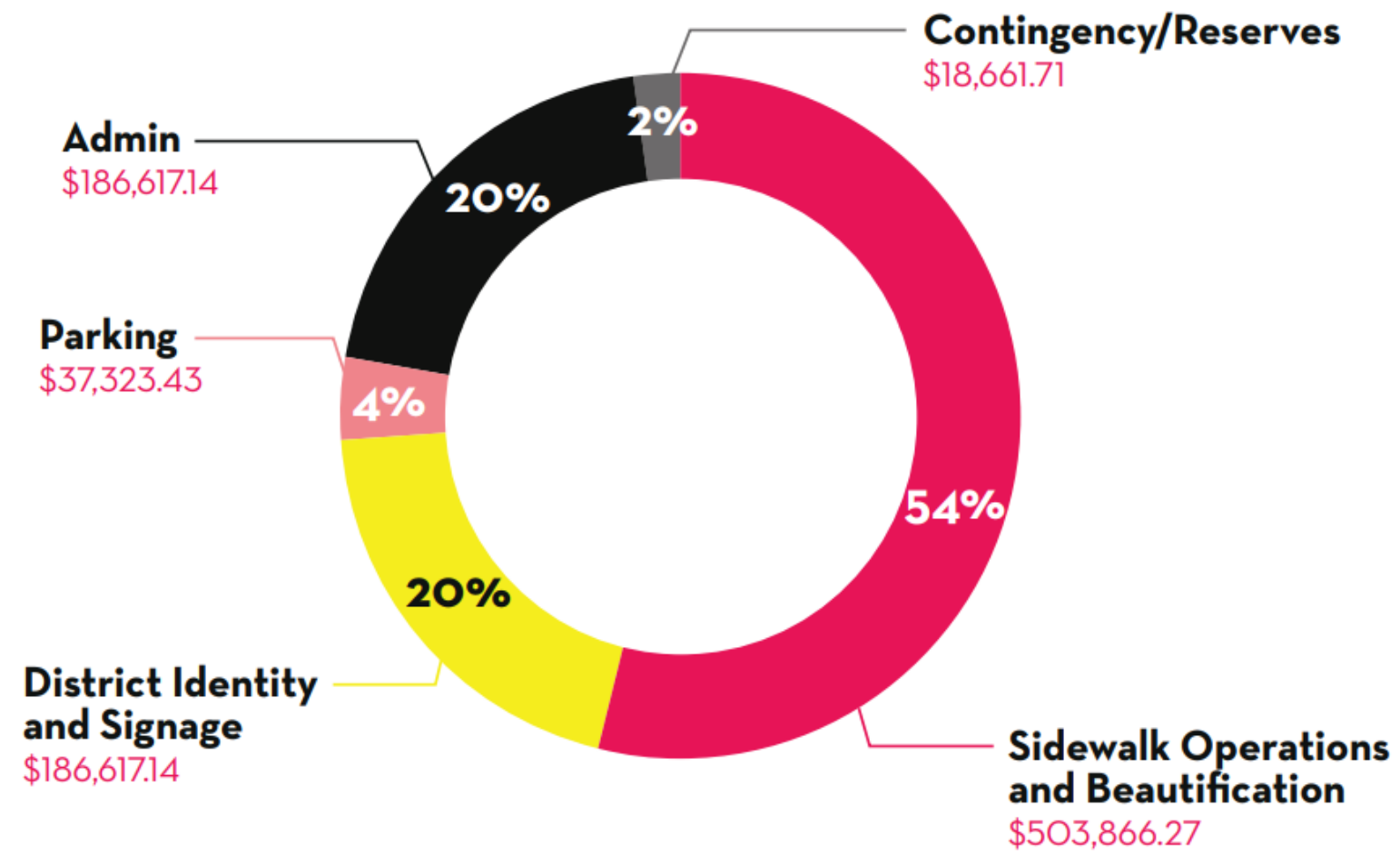
Annual Assessment Budget- \$239,990.60



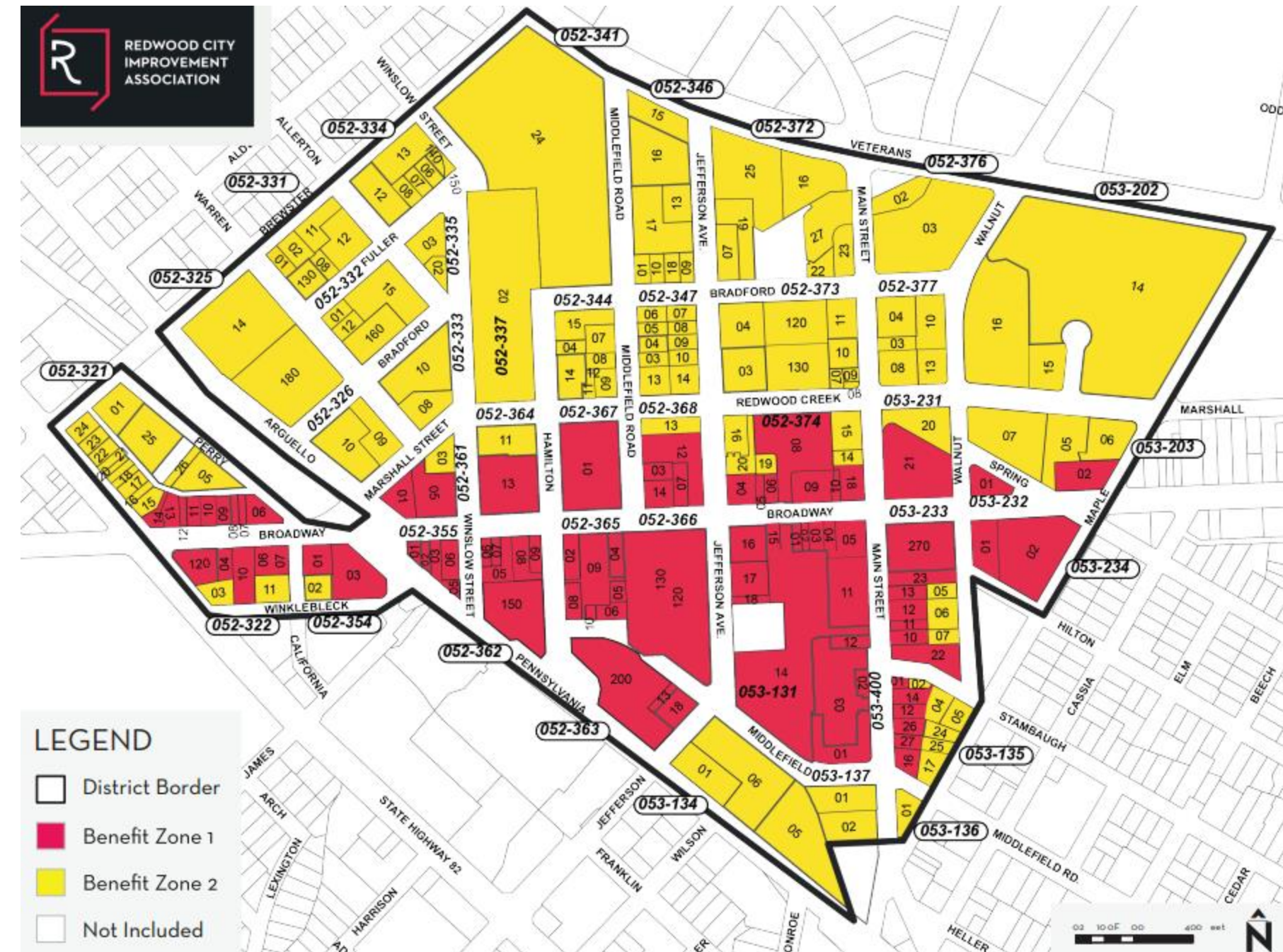
Parcel type	Assessment rate (per square foot)
Commercial	\$0.15
Non-profit Housing	\$0.08

Redwood City (PBID)

Annual Assessment Budget \$933,086



Projected Assessment	FY 1
Street Frontage (per LF)	\$9.50
Building Area (per SF)	\$0.10940
Land Area (per SF)	\$0.03817
Res Condo Bldg. Area (per SF)	\$0.20000



TIMELINE

FEASIBILITY PHASE

July – August 2025:

- Site orientation and project logistics

September – December 2025:

- Steering Committee Formation
- Stakeholder focus groups and outreach
- District Priorities and Budget
- Assessment Scenarios
- Draft Management District Plan (MDP) for review
- Public Outreach to build consensus
- Feasibility report

FORMATION PHASE

January 2026:

- Final MDP and Engineer's Report upon City review
- Prepare petitions and petition packets to include Management District Plan
- Summary, PBID newsletter, official petition, and petition instructions

February 2026:

- Petition kick-off (allow 3 months)

April 2026:

- City Council approves Resolution of Intention and calls for public hearing;
- Assessment ballots mailed to all assessed property owners

June 2026:

- City Council public hearing, tabulate ballots (45 days later)

THANK YOU!

Questions / Comments?



Small Business Commission Agenda Report Item

Meeting Date: September 11, 2025

Subject: Evolution of Daly City's Purchasing Policies and Current Initiatives

Recommendation

It is recommended that the Small Business Commission:

1. Receive and file this report on the historical and current undertakings of the City's purchasing policies.
2. Provide direction to staff regarding:
 - The continuation or modification of the **Daly City First** pilot policy.
 - Consideration of the proposed **inclusive procurement ordinance** amendments, including whether to commission a disparity study to support legally defensible supplier diversity initiatives.

Background

The City of Daly City's purchasing policies are established under Chapter 3.12 of the Daly City Municipal Code, which delegates authority to the City Manager, as the City's Purchasing Agent, to establish administrative procedures for procurement. The purpose of these policies is to ensure transparency, efficiency, and the responsible use of public funds while supporting broader community goals, such as local economic development, sustainability, and equitable participation in contracting.

Over time, the City has undertaken multiple initiatives to strengthen and modernize its purchasing policies. These have included both administrative actions by the City Manager and proposed ordinance amendments to align with best practices statewide.

Historical Undertakings

1. Municipal Code Chapter 3.12 (Foundational Policy)

- Establishes procedures and thresholds for procurement.
- Grants authority to the City Manager and Finance Director to issue administrative purchasing procedures.
- Provides for limited local vendor preference when bids are equal and promotes environmentally sustainable purchasing.
- Ensures that procurement practices maximize the value of public funds while maintaining fairness and integrity.

2. Traditional Bid Preferences

- Prior policies provided modest preferences to Daly City-based vendors only in cases of tie bids.
- Additional consideration was provided for vendors supplying recycled paper and environmentally sustainable materials.

Recent Developments

3. Local Business First Policy (2025, Administrative Implementation)

- Issued under City Manager authority pursuant to DCMC §3.12.030.
- Introduces a *non-mandatory scoring preference* for businesses licensed and physically located in Daly City.
- Applies to competitive solicitations (RFPs and RFQs) valued over \$25,000.
- Evaluation Matrix includes:
 1. Proposal Quality/Responsiveness – 40 pts
 2. Cost & Value – 30 pts
 3. Experience & Qualifications – 15 pts
 4. **Local Business Preference – 10 pts**
 5. Sustainability/Equity – 5 pts
- Implemented as a 12-month pilot program with quarterly monitoring and reporting.
- Structured to comply with Proposition 209 by focusing on geography and business licensure rather than race, gender, or ethnicity.

Discussion

4. Current Status

- The **Local Business First** policy will be in effect administratively on a pilot basis. Any reporting or tracking mechanisms will be coordinated with Finance before implementation.
- The **proposed ordinance amendments** remain under discussion and would require Council action to codify. Adoption would expand Daly City's procurement policy framework from a local economic development tool into a broader inclusive and supplier diversity program.
- Legal considerations remain important: while local and veteran-owned business preferences are generally permissible, preferences based on race or gender (e.g., MBE/WBE) require supporting disparity studies and careful tailoring to withstand legal scrutiny under Proposition 209.

Fiscal Impact

There is no direct fiscal impacts associated with the current administrative "Daly City First" policy. Any expanded outreach, monitoring, or reporting requirements under a future ordinance would be absorbed within existing departmental resources, though additional staff time may be required.

Evolution of Daly City's Purchasing Policies and Current Initiatives

Meeting Date: September 11, 2025

Conclusion

Daly City's purchasing policy framework has evolved significantly—from its original foundation in Chapter 3.12, which emphasized fiscal responsibility and fairness, to the more recent **Daly City First** or **Local Business First** initiative, which places a stronger focus on supporting the local economy. The upcoming ordinance discussions present an opportunity to further expand this framework to advance equity, inclusion, and supplier diversity. With thoughtful implementation and careful legal review, Daly City can establish procurement practices that not only safeguard public funds but also create meaningful opportunities for local and underrepresented businesses, strengthening the City's economic and social fabric.

Respectfully submitted,



Maybelle Manio
Economic Development Specialist



Timothy J. Nevin
Director of Finance & Administrative Services

ATTACHMENTS:

1. Draft Administrative Policy Memorandum: Local Business First Purchasing Strategy

Administrative Policy Memorandum

Local Business First Purchasing Strategy

TO: All Department Heads, Division Managers, and Procurement Staff
FROM: City Manager
DATE: September 03, 2025
SUBJECT: Implementation of “Local Business First” Policy in City Procurement Procedures

I. Background

Pursuant to Chapter 3.12.030 of the Daly City Municipal Code, the City Manager, as the designated purchasing agent, has authority to establish administrative purchasing procedures. These procedures are intended to support efficient, flexible, and responsible procurement aligned with City goals, including support for local economic development. This memo announces the implementation of a 'Local Business First' policy to guide City staff in procurement evaluations where appropriate, using a preference matrix to award bonus points to Daly City-based businesses.

II. Policy Statement

Effective immediately, departments shall incorporate a “Local Business First” scoring preference in all Requests for Proposals (RFPs) and Requests for Qualifications (RFQs) for goods and services over \$25,000.

III. Scoring Matrix Guidance

Evaluation Criteria	Maximum Points	Score Awarded
Proposal Quality / Responsiveness	40	
Cost and Value	30	
Experience and Qualifications	15	
Local Business Preference	10	
Sustainability and Equity Goals	5	
Total	100	

IV. Local Business Definition (per Sec. 3.12.020)

A business entity with one or more fixed offices and/or locally taxable distribution points within the boundaries of the city which holds a current and valid city business license with a Daly City street address.

V. Application Criteria

- Bonus points apply only to certified local businesses that submit documentation of business license and physical presence.
- Preference shall not apply if any City employee has a financial interest in the vendor.
- Applies to competitive proposals but not to sole-source, emergency, or piggyback purchases.

VI. Training & Monitoring

- Staff will receive refresher training during the next procurement workshop.
- Department heads shall track the use of local preference scoring and report quarterly outcomes to the Finance Department.

VII. Term and Evaluation

This strategy is effective for a 12-month pilot period, after which it will be evaluated for effectiveness and equity. Adjustments may be made based on performance data, legal compliance, or Council direction.

Scoring Form Template

Local Business First Purchasing Strategy

Use this form to evaluate proposals under the 'Local Business First' administrative policy. Attach this form to your contract recommendation package.

Evaluation Criteria	Maximum Points	Score Awarded
Proposal Quality / Responsiveness	40	
Cost and Value	30	
Experience and Qualifications	15	
Local Business Preference	10	
Sustainability and Equity Goals	5	
Total	100	

Internal Compliance Checklist

Local Business First Purchasing Strategy

Use this checklist to confirm adherence to the Local Business First policy for each procurement action.

- ☐ RFP or RFQ exceeds \$25,000.
- ☐ Local Business Preference section included in RFP/RFQ documents.
- ☐ Scoring matrix includes up to 10 points for Daly City businesses.
- ☐ Vendor submitted valid Daly City business license.
- ☐ Evaluation form attached to contract approval routing.
- ☐ Points awarded clearly documented and justified.
- ☐ Staff used official scoring form.
- ☐ Quarterly summary submitted to City Manager's Office.