



May 12, 2021

Dear Mayor Rodriguez and Honorable City Council Members:

Since the Downtown business improvement district (BID) was formed in 1986, the San Mateo City Council has appointed the Downtown San Mateo Association (DSMA) as the manager each year. The City Council reviews the work of the DSMA and authorizes the collection of assessments from businesses within the district. The DSMA uses the collected fees to promote, clean, enhance, organize, and advocate on behalf of the Downtown business community.

As you are all aware, the economic damage of COVID-19 has been extremely difficult for small, independent business owners. While the Downtown has managed to get by with significant support from the City, State, and Federal programs, it is still a very difficult time for small businesses. While we are optimistic about the vaccine roll out, low COVID positivity rate, and the Governor's news for a return to normal business operations in middle of June, the economic damages already created by COVID19 will continue to affect businesses for months to come. Consequently, DSMA is again proposing a 50% reduction of business improvement district fees for FY 2022 at the annual public hearing for the DSMA.

For the last eleven years, the DSMA has not received any assessment increases and revenues have flatlined. The limited revenue has made it difficult for the organization to grow and operate independently. With the reduced fees, DSMA will continue to spend down existing reserves in order to continue to provide services such as Downtown cleanliness, holiday banners, and increased marketing campaign for Downtown businesses online, in print, and on social media. While the DSMA still plans to pursue a modification of the assessment in order to promote equity between Downtown users, it is currently postponed for another year.

We hope you will continue to support the DSMA and approve of our request for a second, one-year assessment reduction.

Sincerely,

Lew Cohen
DSMA, President

Seamus Whitley
DSMA, Treasurer

Cc: Drew Corbett, City Manager
Kathy Kleinbaum, Assistant City Manager