

NEWSLETTER

What is a Property Based Improvement District?

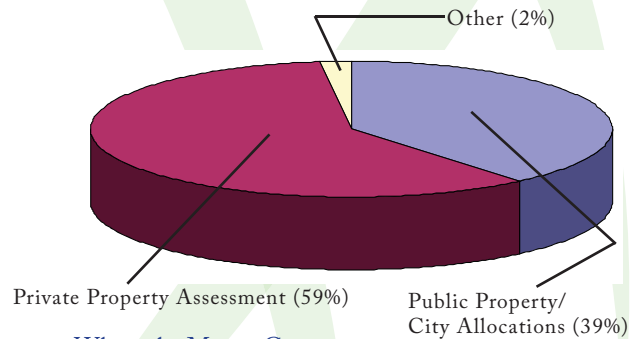
A property based improvement district (PBID) is one mechanism for a property and business owner collaboration. It is a partnership between the public and private sector organized for the improvement of a specific commercial area. PBID's have an impressive track record for improving commercial areas. They have consistently reduced crime, enhanced cleanliness and improved the business climate in their designated geographic area.

Characteristics of a PBID include:

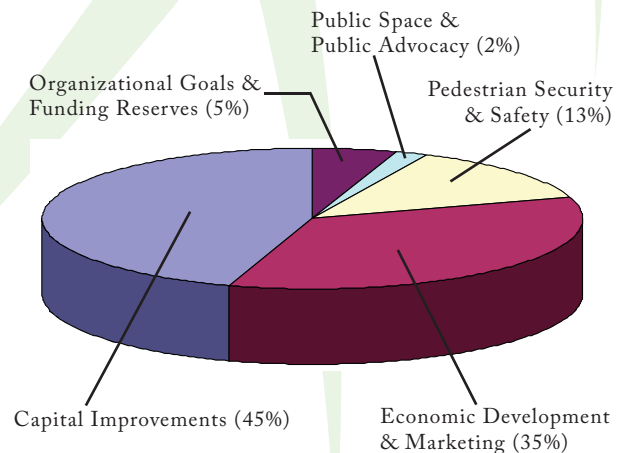
- Formed pursuant to the Property & Business Improvement District Law of 1994 (PBID Law)
- A special benefit assessment district to raise funds (through a special assessment on real property) within a specific geographic area
- Provide supplemental services that are above and beyond what the city government provides

Information About Funding

Where the Money Comes From

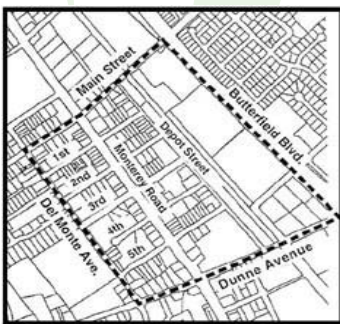


Where the Money Goes



MHDPBID advocated the City of Morgan Hill to allocate \$300K to help reopen the Granada Theatre. They also paid for the "Downtown Morgan Hill" street banners.

MHDPBID Boundaries



The District encompasses approximately 15 blocks surrounding the Monterey Road commercial corridor that has been identified as the Morgan Hill Downtown PBID. The District is roughly

bounded by the following streets:

- Main Street
- Del Monte Avenue
- Dunne Avenue
- Butterfield Blvd.

Board of Director Meetings

The Board meets every other Monday at 8:30am at BookSmart and is open to the public. For more information on agendas and minutes, please visit the web site at www.MHDPBID.org.

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Permanent tree lighting is just one of the many examples of what MHDPBID has accomplished to make Downtown Morgan Hill a more attractive and vibrant place to frequent.



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A MESSAGE FROM THE BOARD OF DIRECTORS

Since the 2006 formation of the Morgan Hill Downtown Property Based Improvement District (MHDPBID), the Board and its members have been busy working to enhance the image of the city's downtown area and to strengthen it as a community gathering place and regional destination. To date, our numerous accomplishments have contributed to the overall cleanliness and aesthetic appeal of the downtown area. We have also financially supported the growing list of events held downtown that have brought significant numbers of residents, shoppers and diners into the area on a regular basis. You will find in this newsletter what we consider to be our major accomplishments for the first two years of the District's existence.

These are difficult economic times right now, which is why our ongoing contributions to the Downtown area are more important than ever. The partnerships we have developed are returning positive results that are not going unnoticed.

We always welcome your input, ideas and suggestions. Please visit our new web site at www.mhdpbid.org for further information regarding our meeting agendas and minutes. If you have any questions or concerns, feel free to email any of the Board members below directly.

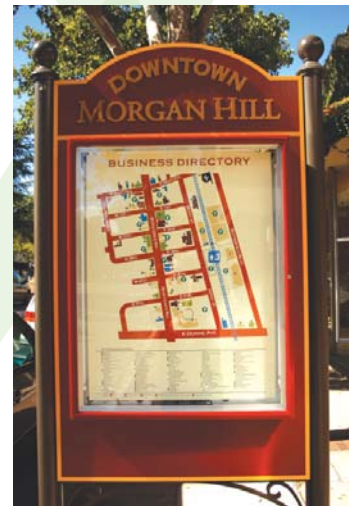
Regards,

Gary Walton, President

Rocke Garcia, Vice-President

Gayle Richter, Treasurer

The MHDPBID makes efforts to reach out to the entire Morgan Hill area to bring people to the heart of the city. The Morgan Hill Redevelopment Agency (RDA), MHDPBID and the Morgan Hill Downtown Association (MHDA) all participated to display a map of the downtown area that compliments the directional signs throughout the city. To the right is a display of the kiosk located throughout Downtown Morgan Hill.



Newsletter Offers Valuable Insight into MHDPBID

One way that the MHDPBID plans to promote the downtown area in fiscal year 2009/2010 is through the introduction of this newsletter, which is published biannually to provide readers with information on the latest news and developments associated with the MHDPBID. It not only serves as a vital resource for discovering the latest information, fact and figures on the MHDPBID, but it also serves as a pivotal tool to drive interest in Morgan Hill's downtown area. It is distributed to downtown property owners, business owners and interested parties.

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Organizational Goals

The MHDPBID was formed in Fiscal Year 2006/07. By law, assessments may not be levied for more than five years unless the District is renewed. Upon such renewal, assessments are then authorized for an additional term of up to 10 years when planned and voted for.

The District is, then, in its fourth year out of five; the Board has determined that two areas of focus need to be addressed: Upcoming new Board-member elections and re-authorization of the MHDPBID. Fiscal year 2010/11 goals include:

- Increase the size of the Board from 3 to 5 voting members
 - Evaluate the terms of the officers and adjust bylaws.
 - Consolidate organizational documents
- Note: Goals identified at 2009 MHDPBID workshop.



The MHDPBID advocated safety meetings with the Police Department, Downtown Merchants & residents



The MHDPBID supported the MHDA to have "Thursday Night Street Dance" during the summer.



The MHDPBID funded the "free" outdoor movies on Saturday evenings during the summer located at the Amphitheatre.



The MHDPBID funds marketing efforts to support downtown businesses.

OUR MISSION STATEMENT

The mission of the Morgan Hill Downtown Property Based Improvement District (the "MHDPBID" or the "District") is to represent the property owners who pay annual assessments to the District and the residents and merchants who live or work within the District boundaries. The elected Board members will utilize assessments collected as a funding mechanism to facilitate and maintain a clean, safe, beautiful and inviting downtown in which to live, work, play, visit, invest or conduct business. The District and its Board will seek to work in partnership, whenever possible, with the City of Morgan Hill and any other city agency, or any public or private organization that will help achieve the District's Mission, and Vision for Downtown Morgan Hill and respects the Core Values of the organization.

OUR VISION STATEMENT

The MHDPBID envisions Downtown Morgan Hill as an active, pedestrian-friendly district. At the same time embracing numerous transportation options that currently exist in the downtown area. "We envision Downtown Morgan Hill as a visual focus point for the community, a 'window' to the greater community. Lastly, we envision a Downtown that provides opportunities for living, dining, entertainment, shopping, personal services and a place for hosting community events and gatherings throughout the year."

BOARD OF DIRECTORS

Gary Walton, President
(gary@custom-1.com)

Rocke Garcia, Vice President
(GlenrockDevel@aol.com)

Gayle Richter, Treasurer
(ghrichter@verizon.net)

Jorge Briones, MHDA Representative
Dwight Dorsey, Resident Representative
Brad Jones, Business Representative
Garrett Toy, City of Morgan Hill Representative





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2007/2008 Highlights & Accomplishments

The MHDPBID has accomplished much in the first full year of operation. Many of the goals that were identified in the 2007/2008 work plan submitted to the City of Morgan Hill were fully executed. Meanwhile, other projects are in various stages of completion. Below are the highlights:

- Funded the design, fabrication and installation of the Poppy-Jasper-themed streetlight banners (Partner: Morgan Hill Downtown Association Design Committee)
- Funded and contracted for the repainting of all street light posts, bollards and sign posts from Dunne Avenue to Main Street on Monterey Road (Partner: City of Morgan Hill Department of Public Works)
- Funded the design and installation of a downtown poster in the kiosk at the Outdoor Soccer Complex (Partner: Morgan Hill Downtown Association & the City of Morgan Hill Department of Parks & Recreation)
- Designed, printed and distributed downtown safety brochures for the downtown restaurants, retail and office workers and information brochures for the property owners (Partners: Morgan Hill Downtown Association & the City of Morgan Hill Department of Police)
- Advocated for flood-control improvements in the downtown (Partners: Morgan Hill RDA, Morgan Hill Downtown Association & Morgan Hill Chamber of Commerce)
- Launched the official web site for the Morgan Hill Downtown Property Based Improvement District: www.MHDPBID.org



MHDPBID

PO BOX 2410 | Morgan Hill, CA 95038
www.MHDPBID.org

2008/2009 Highlights & Accomplishments

The MHDPBID is pleased to announce that a significant number of improvement projects were completed in fiscal year 2008/2009:

- Funded the repair of the existing public address system in downtown, and relocated equipment. (Partner: MHAT/Morgan Hill Downtown Association "MHDA")
- Contracted and paid for biannual sidewalk steam-cleaning from E. Dunne to Main and selected side streets.
- Continued MHDPBID funding for movies for the public at the Community and Cultural Center amphitheater for summer 2009 season. (Partner: MHDA)
- Funded advertising for the placement of a double-truck ad, including a pull-out downtown merchant location map in the Morgan Hill Chamber of Commerce 2009 Directory. (Partner: MH Chamber of Commerce)
- Provided funding for the purchase of additional Christmas decorations for the Downtown area. (Partner: MHDA/Hometown Holidays)
- Funded new, energy-efficient LED tree lighting for center median trees. (Partner: MHDA)
- Continued to meet with Morgan Hill Police Department to discuss increased safety in Downtown. (Partner: MHDA)
- Funded new equipment to expand WIFI to achieve full coverage of the MHDPBID District and additional web advertising for Downtown Morgan Hill and/or merchants on the WIFI home page. (Partner: Public WIFI Project/MHDA)
- Contracted for and provided green shopping bags with Downtown Morgan Hill logo to downtown merchants and restaurants.
- Funded additional energy and maintenance costs for the new Depot Street parking lot and the interim parking lot on Monterey Road near 3rd Street.
- Provided a financial contribution to the Thursday Night Street Dance Event. (Partner: MHDA)